

# UNCORRECTED PROOF ISSUE

**Thursday 4 December 2014 - House of Assembly - Government Businesses Scrutiny Committee - The Public Trustee**

## HOUSE OF ASSEMBLY

## GOVERNMENT BUSINESSES SCRUTINY COMMITTEE

**Thursday 4 December 2014**

### MEMBERS

Mr Brooks  
Mr Green  
Mr Llewellyn  
Mr McKim  
Mrs Rylah  
Mr Shelton (Chair)

### SUBSTITUTE MEMBERS

Ms Giddings  
Ms White

### IN ATTENDANCE

**Dr the Hon. Vanessa Goodwin MLC**, Minister for Justice

#### **Ministerial Office**

**Kristy Bourne**, Justice Adviser

#### **The Public Trust Office**

**Mr Duncan Hall**, General Manager, Corporate Services  
**Mr Craig Stephens**, Chairperson, Board of the Public Trustee  
**Mr David Benbow**, CEO, Public Trustee  
**Ms Gaylene Cunningham**, Manager, Client Services  
**Mr Glenn Lucas**, Manager Financial Operations  
**Mr Tim Levis**, Corporate Solicitor  
**Ms Angie Dougan**, HR Manager  
**Ms Liz Gillam**, board member

**The committee resumed at 12.05 p.m.**

**CHAIR** (Mr Shelton) - Welcome, everybody

**Dr GOODWIN** - It is an honour and a privilege to appear before the committee today to scrutinise the Public Trustee. The Public Trustee has been in existence for in excess of 150 years and is currently in its 19th year of operation as a government business enterprise. The main undertakings of the Public Trustee are the preparation of wills and enduring power of attorney, acting as an executor or administrator of deceased estates, acting as an attorney for people requiring assistance for people to manage their financial affairs, acting as trustee for various types of trusts, including accident compensation awards and assisting people to manage their financial affairs when the Public Trustee is appointed as a financial administrator by the Guardianship and Administration Board. In addition the Public Trustee acts as a fund manager for the funds under its control in order to provide a commercial rate of return to contributors.

Chair, I would like to take this opportunity to inform the committee that Mr Peter Maloney, the CEO of the Public Trustee for 11 years, retired in February this year and Mr David Benbow was appointed as the new CEO on 11 February. It is fair to say that Mr Benbow has brought a fresh set of eyes to the business and has had no trouble thinking outside the box to ensure that the whole Public Trustee team continues to work to better service the needs of its diverse range of clients.

The Public Trustee has never underestimated its responsibility to the people of Tasmania. Mr Benbow is working assiduously to make their services even better and more accessible for everyone in the community.

I am pleased to be able to bring to the committee's attention today the fact that the Public Trustee and Tasmania's only locally based insurer, RACT Insurance, have put in place an exciting partnership. It will see a more efficient and streamlined bulk insurance service delivered to Public Trustee clients. As the new bulk insurer RACT Insurance will look after approximately 350 policies across the areas of real estate, land, contents and motor vehicles with a competitive insurance premium that is 22 per cent below the current insurer.

This means that clients of the Public Trustee will benefit through a discount on their premiums, while at the same time receiving local and personalised service from Tasmanians with a designated Public Trustee relationship manager appointed as the first contact for queries and support. Additionally, this partnership will see a more efficient approach to service delivery with a streamlined underwriting process, with same day approvals creating greater efficiency within the organisation. This agreement is a positive step for the organisation and one that I know the CEO and the Chairman are thrilled to announce just eight months into your new role.

In terms of the profit for the organisation, it achieved a profit after tax for the financial year ended 2014 of \$739 000 compared with a profit last year of \$1.3 K. Total comprehensive income for the financial year amounted to \$985 k compared to \$2 588 K for the financial year ended 2013. A significant contribution to the 2013 result came from a positive re-measurement of the defined benefit liability. Factors contributing to the profit after tax result were total revenue from activities was 10.3 per cent higher than last year. Of total revenue, commission and fees increased by 10.9 per cent on last year. Total expenses from ordinary activities increased by 2.3 per cent during the year, with salaries and associated expenses up 5.2 per cent. Dividend distributions on the Public Trustee's investment of its corporate funds were \$555 000, down from \$881 000 in 2013. Corporate investments increased by \$907 000 and value before tax compared with an increase of \$575 000

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last year. Moreover, results for the financial years ended 2013 and 2014 were positively impacted by the general improvement in global equity markets.

From an operational perspective, the Public Trustee is continuing to look for productivity improvements in order that it may continue to be in a position to absorb the increasing costs of service provision in all areas of the business, particularly in periods of low or negative returns on investment. In terms of the annual report -

**Ms GIDDINGS** - Point of order, Chair. This is becoming quite a long introduction and we will come to issues such as the annual report in our questions.

**CHAIR** - I ask the minister to quickly wrap up her introduction.

**Dr GOODWIN** - There are a couple of matters that have come up in past GBE hearings which might be of interest.

**Mr McKIM** - Point of order. We are now over 15 per cent of the time allocated for the examination of this GBE and we have not had a chance to ask a single question of the minister. I am not interested in her thinking about what we might ask and trying to answer them in advance. With respect, Chair, you need to ask the minister to conclude so we can start with the real business we are here to do.

**CHAIR** - I have asked the minister to quickly wrap up.

**Mr McKIM** - But she just said she wants to mention another couple of things.

**CHAIR** - Minister, if you would not mind concluding your comments we will get into questions. It is appropriate for the minister to make an opening statement.

**Mr McKIM** - It is farcical.

**Dr GOODWIN** - Mr McKim, you are sticking to your usual form of being incredibly rude. If you didn't like what I was saying earlier or were not interested, you could have interrupted sooner. You have done now -

**CHAIR** - Order, if you could conclude, minister.

**Dr GOODWIN** - Okay. An issue that has been raised in previous GBE hearings and was raised this morning by Ben Bartle from the CLC and Advocacy Tasmania was around the fees charged. I was going to mention something that may be of interest to members. The Government has recommended a review be undertaken collaboratively between the Public Trustee, the Department of Treasury and Finance and the Department Justice. The terms of reference for the review will be provided to the Government for approval by the end of this year and it is hoped we can consider the outcomes of the review in the lead-up to the next State Budget, bearing in mind the significant budget challenges we are facing. I point out that this is not an issue this Government has created; it has been an ongoing issue over a number of years and was created when the previous government was in office.

**Mr McKIM** - Point of order, Chair. We are now 13 minutes into this hearing, almost a quarter of the time allocated, and we have not been able to ask a single question.

**CHAIR** - I listened to your point of order before. I was of the view that the minister was about to finalise her comments and I would have put a question to you 30 seconds ago.

**Dr GOODWIN** - All I was doing was some context setting, which I have done.

**Ms GIDDINGS** - Attorney, can you rule out privatising the Public Trustee?

**Dr GOODWIN** - That's one out of left field for me. We haven't had any discussions about that at all.

**Ms GIDDINGS** - That is okay, it was just in line with the partnership with the RACT and I wanted to make it very clear that you are not going to be privatising the Public Trustee.

**Dr GOODWIN** - I guess the CEO could explain the rationale behind the RACT partnership, but this is about the Public Trustee.

**Ms GIDDINGS** - It would be a government policy position, not one for the Public Trustee.

**Dr GOODWIN** - To put that in context, it is about delivering better services for Public Trustee clients and saving money.

**Ms GIDDINGS** - I welcome the partnership, there is not a problem about that, but I wanted it very clear on the public record that there is no policy decision by the Government to privatise the Public Trustee.

I will go to the position of your community service obligation. You have had a \$50 000 increase given by the last government to assist with that. Can you tell me what the cost of the community service obligation has been over the last year and this current year? Are you going to have to pay a dividend or have you kept the previous government's policy?

[12.15 p.m.]

**Dr GOODWIN** - We have kept the previous government's policy around the dividend issue but I will hand over to the CEO.

**Mr BENBOW** - This year, the actual cost of the CSO obligation has been very much in line with the previous year. This year a dividend was paid to government and we made a good profit this year. The key part to that CSO funding arrangement is the unfunded portion which remains at around \$405 000. In terms of loss, I can't give you the number but post this meeting will be happy to give the actual cost that is embedded in the model which is agreed between us and Treasury. I reiterate that key number in terms of our ability to pay dividends to government is around the relationship between profit and the unfunded portion of the cost and the payment.

**Ms GIDDINGS** - In relation to the \$405 000 unfunded, was that paid through your profits before you paid out a dividend?

**Mr BENBOW** - It is essentially the proportion the Public Trustee pays out of its commercial operations that subsidises the cost of the overall cost of delivering services to represented persons, which incorporates the community service obligation.

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**Ms GIDDINGS** - What was the dividend you paid out and what do you forecast you will pay out in this next year?

**Mr BENBOW** - The dividend we paid out this year was - Glenn?

**Mr LUCAS** - An amount of \$262 000 has been declared to be paid in December.

**Ms GIDDINGS** - Do you forecast paying out a dividend in this next financial year or the current one we are in?

**Mr BENBOW** - No, we have not forecast because our ability to pay dividends is very much around our capacity to have favourable investment markets because a proportion of our income is based on that. Our ability to forecast in terms of dividend is difficult.

**Ms GIDDINGS** - At the moment, the central budget Consolidated Fund has no expectation of getting any dividend from the Public Trustee?

**Mr BENBOW** - Correct.

**Mr McKIM** - Attorney-General, you have announced yet another in a series of endless reviews that this Government is doing but you have not given an end date for the review. Could you do that, please?

**Dr GOODWIN** - No, I can't, because we haven't finalised the terms of reference yet. It is a collaborative review between the Public Trustee, Treasury and Justice. You were critical just then of implementing reviews but we are doing something about this issue. As I said before, this issue has been on the table for a long time. I was sitting where you are sitting now last year when this issue was raised before the previous GBE committee. This is not something that has suddenly cropped up. It has been around for a long time and we are seeking to address it. I met with Advocacy Tasmania and CLC Tasmania to discuss this issue earlier this year. The Public Trustee is very well aware of it and we are going to look into the issue.

**Mr McKIM** - So you think looking into something is actually doing something?

**Dr GOODWIN** - It is accepting that it's a concern -

**Mr McKIM** - If I could finish my question.

**Dr GOODWIN** - You just asked a question.

**Mr McKIM** - If you could calm down, I am going to ask my question and then I will give you an opportunity to answer it. Do you think a review that you can't even table the terms for today is doing something? Can you confirm that Advocacy Tasmania raised this directly with the Government in its budget submission and the Government did nothing to address it in its most recent budget? What are you going to do to some of the most disadvantaged Tasmanians that the Public Trustee is gouging at the moment, particularly relative to the fees charged to people on like orders around the country?

**Dr GOODWIN** - In relation to whether I think having a review is doing something, yes, I do. It is certainly doing more than the previous government did in response to this issue. It is an

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appropriate step forward to name up some terms of reference and have a look at the problem and see where -

**Mr McKIM** - Which you haven't done.

**Dr GOODWIN** - Well, we're working on it, Mr McKim, as I said. It is a collaborative review that we are going to undertake. That is the first step - to have a look at what we might do in relation to this issue. I did meet with Advocacy Tasmania earlier this year on 18 July to discuss their concerns in relation to the current fee structure for represented persons. They have previously raised the issue through budget priority statements and at the Government Business Enterprise Committee hearing into the Public Trustee last year. But it was not raised directly with me until 18 July this year. We were too late for that budget cycle but I now have agreement with the Treasurer and the Public Trustee. We are going to look into this issue and see what can be done about it.

**Mr McKIM** - I will remind you of the third aspect to my question. What are you going to do for some of the most disadvantaged people in Tasmania who are currently being gouged outrageously through -

**Dr GOODWIN** - Mr McKim, I think you are being quite defamatory.

**Mr McKIM** - Point of order, Chair, if you would ask the minister to allow me to finish my question, please, and then I will -

**Dr GOODWIN** - I would ask you to stop being inflammatory in your questions.

**Mr McKIM** - I am going to do my job as I see fit. The third part of the previous question was what is the minister intending to do in the interim while this open-ended, no final date, no terms of reference review is taking place for those Tasmanians who are being gouged outrageously under your policy settings, particularly compared to every other jurisdiction in Australia where the like service is either free or a nominal amount, or there is discretion to waive it entirely. What are you going to do for these people in the interim?

**Dr GOODWIN** - I do not accept your characterisation of what is occurring under the Public Trustee at the moment -

**Mr McKIM** - I am blaming you for this, not the Public Trustee.

**CHAIR** - Order.

**Dr GOODWIN** - Mr McKim, you were part of the previous government, so you ought to take some responsibility here and acknowledge -

**Mr McKIM** - I was never the Attorney-General.

**Dr GOODWIN** - You were part of the previous government and there should be some acknowledgment that this is not a problem that has just cropped up. It has been around for some time.

**Mr McKIM** - I acknowledge that but you are the minister now.

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**Dr GOODWIN** - We are doing something about it. We have initiated a review. We are going to finalise the terms of reference very shortly and to look at what can possibly be done about this issue now. The Public Trustee acknowledge that their fees are higher than other jurisdictions.

**Mr McKIM** - They can hardly refute it.

**CHAIR** - Order.

**Dr GOODWIN** - For you to be so outrageous in the way you characterise this issue without acknowledging that this has been around for some time, I find offensive and regrettable in your language. So I would ask you to be a little bit more respectful to the people on this side of the table and behind.

**Mr McKIM** - Point of order, I am not being disrespectful in any way to the Public Trustee. I am being disrespectful to the Government.

**CHAIR** - Order, you have asked the question and the minister has answered it. I am going to move on now and Mr Brooks has the call.

**Mr BROOKS** - Thank you, Chair, and I would add to the non-point of order Mr McKim thinks he can make by clarification, by responding that this is a question and answer that you have ruled previously, Chair.

Attorney, you have mentioned briefly the exciting new partnership between the Public Trustee and RACT Insurance - keeping Tasmanians covered. I would like to hear some more about that.

**Dr GOODWIN** - As I mentioned, this is an exciting new partnership and it will see more efficient and streamlined bulk insurance service delivered to Public Trustee clients. As the new bulk insurer, RACT Insurance will look after approximately 350 policies across the areas of real estate, land content and motor vehicles with a competitive insurance premium 22 per cent below the current insurer. So, clients of the Public Trustee will benefit through a discount on their premiums while at the same time receiving local and personalised service from Tasmanians with a designated Public Trustee relationship manager appointed as the first contact for queries and support. The partnership will also see a more efficient approach to service delivery with a streamlined underwriting process with same day approvals, creating greater efficiency within the organisation. I hope all members would agree this agreement is a positive step for the Public Trustee as it continues to make its services even better and more accessible to the Tasmanian community.

**Ms GIDDINGS** - I am aware of the review so I am not looking for an answer that looks to the future, Attorney-General. In your annual report, the commissions and fees increased by 10.9 per cent over the 2013-14 year. I also note that you performed slightly greater services in the last financial year compared to the 2012-13 year. Is this increase of 10.9 per cent in the commissions and fees related to the increased workload, or have fees gone up and, if so, by what percentage?

**Mr BENBOW** - Obviously, our business is around deceased estates. Unfortunately, we do not have control how that flow of business comes into the Public Trustee. Last year the number of estates that we managed was probably larger than we would normally see in a year. Our fees and charges have not increased, so they are still contained within the regulations as they have been over the last ten years.

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In relation to some of our commissions, they are based on asset values. Last year was a phenomenally good year in terms of investment returns. So you are getting, if you like, a large pool of assets, which means your fees are going to be a larger pool. It is as simple as that - an aberration in terms of the number of deceased estates that we managed, and we took additional income commission on ongoing customer estates, for example, in relation to larger investment assets.

**Ms GIDDINGS** - You would have been aware of the state wages policy. All GBEs were asked to apply that. Did you apply that?

**Mr BENBOW** - We certainly do.

**Ms GIDDINGS** - So your wages are not increasing by any more than 2 per cent with a 0.5 per cent efficiency return?

**Mr BENBOW** - No, that is correct.

**Ms GIDDINGS** - Do you have an industrial agreement at the moment that outlines that?

**Mr BENBOW** - No, but all of our staff are paid in accordance with the State Act. We have two individuals who are SES employees paid within the bands that apply. We do not have an independent enterprise agreement.

**Ms GIDDINGS** - Thank you. Can you provide the number of full-time equivalent staff employed by the Public Trustee? As at 30 June this year, I think it was about 52.8. Has this figure increased or decreased over subsequent months?

**Mr BENBOW** - That figure of 52.8 was slightly down on 2013; it was down about 0.2. Our actual full-time equivalent number of budgeted staff theoretically across this year should end up at about 57.75. We are currently carrying a number of vacancies, as you do within an organisation. We utilise, if you like, people from employment agencies to backfill while we do that. As you can understand, trust officers do not grow on trees so when people leave it is quite an extended period for us to be able to get people into our organisation, given the knowledge that is required around investment, superannuation, allocated pensions, trusts and paralegal. It is quite a complex role.

Our complement of staff on budget through to 2015 will be 57.75, and that includes some additional client account managers whom we have in our budget. As an organisation, we are working very hard to look for productivity gains and we think over the next year through the implementation of technology we should be able to get additional gains within our organisation. We are a very paper-based organisation, a very file-driven organisation and we think there are distinct opportunities for us to look at how we deliver our services in terms of being able to deliver better services through better use of technology and, if you like, a reduced cost in relation to employment.

**Ms GIDDINGS** - Does that explain why you are looking at spending more on capital, then? Is it ICT capital that you are going to spend on?

**Mr BENBOW** - There is a portion of that.



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**Ms GIDDINGS** - Can you break it down for me? What you are expecting to spend money on?

**Mr BENBOW** - This year we are spending around \$1 million but a fair chunk of that - I think around \$400 000 - has been budgeted for a tactical enhancement incorporating a review. We have a Lotus-based system to manage our investment reviews and there was around \$150 000 incorporated for that. The balance is around the refurbishment of our premises at 116 Murray Street, which have not been refurbished since the early 1980s and do not create for that important cultural place around collaboration. It is very much a confined rabbit warren and more importantly the ability to deliver services to all our clients needs to be improved.

[12.30 p.m.]

**Ms GIDDINGS** - Sorry, was that \$150 000 within the \$400 000 or in addition?

**Mr BENBOW** - No, that would be in addition.

**Ms GIDDINGS** - So it is about 5.5 -

**Mr BENBOW** - Yes, some of that \$400 000 won't be spent. That is, if you like, our capital expenditure budget. We are looking at reviewing our IT system that we currently use. By using a document work closed system incorporated into our administrative process it will reduce the requirement to upgrade that particular system.

**Ms GIDDINGS** - Are you expecting to spend that \$500 000 on refurbishment?

**Mr BENBOW** - It will be more than that.

**Ms GIDDINGS** - What do you expect it will be?

**Mr BENBOW** - We initially looked at only refurbishing one part of our organisation, which is the floor where the majority of our Trust administrators work. We believe it is important to refurbish both floors. We are looking at improving our service to our represented clients. At the moment our represented clients are pooled at a security point, the ground floor. We deem that is not acceptable. We would like to see our clients, whether a represented person or a commercial client, treated with the same element of respect when they come into our business. We are looking at refurbishing our floors so that our clients can experience the same experience versus coming in through security.

**Ms GIDDINGS** - Around a million?

**Mr BENBOW** - It would be around a million dollars to refurbish both floors.

**Mr McKIM** - I want to go back to the issue of people who have been put on order by the Guardianship Board because they are incapable of managing their own financial affairs.

I want to put the fee structure to you. This comes from a report from Advocacy Tasmania that was publicly available I might add well before your Government entered into the final stages of the Budget. This is a well known issue.

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The Public Trustee in Tasmania charges annually and this is where the represented person has no assets or other sources of income. The Public Trustee in Tasmania charges annually \$1 476 and I am in decreasing order here. The Public Trustee for the ACT, between nothing and \$497 per year; the Public Trustee in Western Australia, \$108 per year; the Public Trustee in Queensland, \$100 per year; the New South Wales Trustee and Guardian, between \$8 and \$13.08 a year; the Northern Territory Public Guardian, free; the Victorian State Trustee, free; the Public Trustee of South Australia, free. You have rejected my assertion that these are outrageous fees charged by the Public Trustee.

**Dr GOODWIN** - You suggested it was price gouging.

**Mr McKIM** - I said it was outrageous gouging. All right. You have rejected my assertion that it is outrageous gouging. Two questions for you.

*Members interjecting.*

**Mr McKIM** - Point of order, Chair. If the Attorney would just allow me to finish my question.

**CHAIR** - Then I would ask you to please conclude your question instead of baiting the Attorney.

**Mr McKIM** - It would happen much more quickly if the Attorney ceased interrupting.

**Dr GOODWIN** - Stopped baiting the Attorney, then perhaps you might.

**Mr McKIM** - I never trust people who refer to themselves in the third person, Chair.

Attorney, how would you categorise those relative fees if you reject my assertion that they are outrageous? Secondly, what is currently stopping the Public Trustee from charging a more reasonable fee for these people?

**Dr GOODWIN** - This issue has been widely acknowledged now by me, the Public Trustee, the Treasurer as a concern and it is something we have committed to review. You can look at these figures. They were raised last year in the hearing that I was part of, where you are sitting now on the other side of the table. They are a concern. We acknowledge there are concerns. We have to work within the constraints of the budget situation. We will work with the Public Trustee on it. Everyone is accepting that it is an issue and a concern and we will do what we can to address it.

**Mr McKIM** - I will just repeat the question because you obviously did not hear it, Attorney. What is currently stopping the Public Trustee from charging a more reasonable fee for these people? You have been in government for nearly nine months. You have come in here today and announced a review but you cannot even provide the Parliament with terms of reference for a review. You have been sitting on your hands on this issue for eight months.

**Dr GOODWIN** - How long was the previous government in office, of which you were a member?

**Mr McKIM** - I know you will blame everything on the previous government but you are the Government now.

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**Dr GOODWIN** - We have done more in the last nine months than you did in many years.

**Mr McKIM** - My question, just to refresh the Attorney's memory, and this is the third time I have asked it: what is currently stopping the Public Trustee from charging a more reasonable fee for these people?

**Dr GOODWIN** - Budget issues, for the third time.

**Mr McKIM** - Are you suggesting the Public Trustee, which had an underlying profit of more than \$1 million in the 2013-14 financial year, cannot allocate some of that money to reducing these fees?

**Dr GOODWIN** - Their profits vary from year to year; some years they are not very profitable at all. I will hand over to Mr Benbow if he wishes to add anything to it. Everyone has acknowledged this is an issue and we are working to try to address it as best we can.

**Mr BENBOW** - It was issue, from my reading of *Hansard*, when I started with the organisation in February. I met very early on with Ken Hardaker from Advocacy Tasmania, and Ben Bartle from CLC. The complexity of the issue is that the Public Trustee is a GBE. Our profits this year are exceptionally good but in other years they have not been. There are numbers included in the advocacy report that relate to a very specific cohort of individuals - those who have assets of less than \$10 000 who are purely on a disability pension. The problem is much bigger because at the end of the day does someone who has \$12 000 in assets, which happens to be a sewing machine and an old Corolla, have no fee reduction when someone has \$9 000 in cash? The number of individuals is quite significant so therefore the number is significant.

**Mr McKIM** - Can you put a number on that?

**Mr BENBOW** - Yes. At the moment, based on our review of this matter, the actual fee number is \$711 219.

**Mr McKIM** - What does that refer to?

**Mr BENBOW** - That would eliminate all fees for those who are receiving -

**Mr McKIM** - For people on orders?

**Mr BENBOW** - For represented persons who are on an order. The comparison with other jurisdictions is interesting. A number of other jurisdictions are obviously agencies. Our issue is we already have an unfunded proportion we have to fund. If we add some proportion of \$711 000 then fundamentally the GBE will run at a loss for an extended period.

**Mr McKIM** - Although you made more than that in profit last year, did you not?

**Mr BENBOW** - We did last year. In some years we will and in some years we will not. This review was, I felt, very appropriate.

**Mr McKIM** - Are you talking about the Public Trustee review? You mentioned the Public Trustee has done a review of this issue.

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**Mr BENBOW** - We understand the situation and that it needs to be resolved. We receive funding from the Government for our community service obligations. That agreement has in it, in terms of the model we use, the fact we are required to collect an amount of fees. There needs to be the conversation around the review as to how we deal with that. If we start reducing the fees, that makes the hole bigger.

**Mrs RYLAH** - Attorney, I am interested in the advocacy groups. Can you give me more background on the advocacy groups involved and the review?

**Dr GOODWIN** - This is a concern that has been around for some time. Advocacy Tasmania and the community legal centres have circulated a document that outlines their concerns. This document has been around for a while. I am fairly sure we had something similar last year at GBEs. Their concern is that for a represented person a significant proportion of their pension and annual income ends up going on fees to the Public Trustee because their financial affairs have to be managed. When you look at the comparison with other jurisdictions we certainly do charge higher fees, there is no doubt about that. The difficulty is with the structure of the Public Trustee as a GBE, a structure that has been around for 19 years or so now, so there is inherent tension between having a significant proportion of represented clients and those sorts of budget challenges that go along with having a CSO obligation, but still being a GBE and having all the requirements of a government business enterprise. It is trying to strike that right balance, given that there is an inherent tension in the model we have that has been around for 19 years.

I am very conscious of this as an issue. As I said, it was raised last year at GBEs, it has been raised with me by Advocacy Tasmania and the Community Legal Centres and it has been raised with the Public Trustee. The CEO is very conscious of it, as is the chairman and we will do what we can to try to address it as best we can in the environment we find ourselves in at the moment.

**Ms GIDDINGS** - Can I just clarify one thing before I go on to a different set of questions? Your CSO funding agreement expired on 30 June of this year, so have you entered into a new agreement with -

**Mr BENBOW** - We have.

**Ms GIDDINGS** - A three-year agreement?

**Mr BENBOW** - A three-year agreement.

**Ms GIDDINGS** - And it reflects exactly the same as the last agreement?

**Mr BENBOW** - It gives a \$50 000 per annum increase.

**Mr STEPHENS** - It was actually entered into late last year.

**Ms GIDDINGS** - Okay, with the previous government. That is fine, thank you very much for that clarification. I want to talk about your services, the seminars and the like that you hold. There seems to have been quite a drop in the number of public information sessions you offer. It has fallen from 55 seminars in 2012-13 to just 30 in this current year and I also note that whereas you had around 2 700 people attend in the 2012-13 year, that has dropped to 933. Can you give some explanation as to why there is such a decline?

**Mr BENBOW** - That is a fair question. What we have been trying to do, especially in the last half of this year, is improve the quality of our seminars. Some of those numbers from last year included our participation in an expo, for example. People who come to an expo have not come to the Public Trustee, so you could have 400 who came to an expo and say they came to the Public Trustee. Regarding the will-writing days and seminars I think we as an executive management team have recognised that for what we are required to do in terms of delivering services across all regional areas of Tasmania we could do that in a better way. We will probably do less will-writing days but be more targeted about how we deal with groups of individuals. For example, within the public sector the Public Trustee would not be recognised as a major provider of service to the public sector, which I would have thought would be an important aspect of our business. We are looking at that drop in seminar numbers as being more targeted about who and what we are utilising our resources to deliver those services to.

**Ms GIDDINGS** - And you will be holding those seminars in all three regions and in an even finer regional break-up in terms of the smaller rural areas?

**Mr BENBOW** - Yes, we do that now. Our will-writing days go from Queenstown, Zeehan across to Scottsdale and down the east coast. We run an annual seminar program where we invite speakers and invite clients and non-clients in all three regional areas and that will continue. The quality is fine, it is about getting a broader reach for less cost because we only employ two or three people to deal with those matters so we have to be fairly smart about how we use that resource.

[12.45 p.m.]

**Ms GIDDINGS** - We struggled to find your annual report on the website and had to find it somewhere around the Parliament. Are you planning to put it onto the website?

**Mr BENBOW** - Really? It is on the website under 'publications'.

**Ms GIDDINGS** - Okay, we will have another look.

**Mr BENBOW** - That's where I got mine.

**Mr McKIM** - I want to go back to this issue, Attorney-General, because I am not satisfied with your answers. You have been in government for nearly nine months, you have obviously made a decision only very recently to conduct this review because you can't even provide terms of reference to the Parliament. You won't answer my question as to what is stopping the Public Trustee from addressing this issue in the short-term except to talk about the general frameworks of GBEs. Minister, wouldn't it be possible for the Government to simply include this issue in the CSO obligations of the Public Trustee and fund them to reduce fees? Do you acknowledge that is a possibility and why won't you do that in the interim while your open-ended review is taking place?

**Dr GOODWIN** - Mr McKim, it is all very well for you to come up with suggestions like that but you would be well aware of the budget challenges we face which we inherited from the previous government of which you were a member. You were a Cabinet minister. It is all very well for you to come up with these grand ideas and be critical of this Government when the previous government did absolutely nothing about this issue. It has been on the books for a long time. We are doing something now. We have been having discussions with stakeholders about it. I have discussed it with the Treasurer, the Public Trustee, Advocacy Tasmania and CLC Tasmania. We are all very aware of this issue. We are going to do a review. We will finalise the terms of reference very soon but we are going to do a proper review of it and we need to work within the constraints we have -

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the fact it is a GBE and we have other budget challenges. We have made the commitment to review, we acknowledge this is an issue and will do what we can to address it.

**Mr McKIM** - Chair, I put a very specific question to the Attorney. Does she acknowledge that it would be possible for the Government to fund the Public Trustee to reduce or eliminate these fees by a simple amendment to the CSO obligations and the funding required? Why won't she do that while this open review is taking place? She didn't go anywhere near that, so I put the questions again.

**Dr GOODWIN** - Mr McKim, I find your question ridiculous. You know the budget challenges we face at the moment.

**Mr McKIM** - Point of order, Chair. I am very sorry about this but the Attorney-General appears to be struggling to comprehend my question.

**CHAIR** - It is not a point of order. You are trying to repeat the question. You have asked a question, by your reference, a number of times. The Attorney-General has been given a chance to answer it. She has answered it, probably not to your satisfaction but she has answered it. If the line of questioning does not change, I will allow another person a question.

**Mr McKIM** - Point of order, Chair. It is the committee that determines the questions, not the Chair. We can resolve this in other ways. There are plenty of forms of the Parliament available to us. You are trying to shut me down from asking questions.

**CHAIR** - Put it this way, the Chair gives the question to members on this side. When the Attorney-General has finished answering the question, I will give the call to whoever I choose.

**Mr BROOKS** - Point of order, Chair. Mr McKim is wilfully disregarding the role of the Chair and I would urge him to adhere to the Standing Orders. It clearly states that questions are asked on a rotation of 2-1-1 with one minute for a question and three minutes to respond. Mr McKim has either forgotten that or is ignoring it.

**CHAIR** - I take your point but we are spending too much time deliberating on this. I will give the minister another chance to answer the question and then I will go to another question.

**Mr McKIM** - Attorney-General, isn't it possible this could be addressed as an interim measure in the short-term and why aren't you doing that while your open-ended review takes place?

**Dr GOODWIN** - Mr McKim, I have answered this. I have explained to you that we have a difficult budget situation at the moment, a situation that we inherited from the previous government. We do not have buckets of money to throw at problems. We have a lot of issues to address and we are working our way through them, given the constraints that we face. This is one issue. There are many others. You would be well aware of the situation that we find ourselves in. We will do what we can to address this but we will do it in a fully informed way. It is why we have committed to undertaking a collaborative review with the Public Trustee, Treasury and the Justice department.

**Mr McKIM** - Meanwhile some of Tasmania's most disadvantaged people get gouged by you.

**Ms GIDDINGS** - It sounds like the review is just biding time. If you could lower those fees I am sure you would right now. I am just a little concerned that reviews are being used as an opportunity to put issues into the too hard basket.

**Dr GOODWIN** - With respect, that is not true at all. It is not a simple solution. If I may respond because you have put that out there. We have the benefit of the paper from Advocacy Tasmania. You can see that there are different structures that operate around public trustees or their equivalents in other jurisdictions. We have a certain structure here and we have to work within its constraints. If we are really going to address this issue we need to have a look at what other systems are in place in other jurisdictions to enable them to deliver a different fee structure and what our constraints are here. It is not a simple matter of doing a quick and dirty review and coming up with some answer that we cannot implement. We want to do a proper review. We want to work with the stakeholders. We want to work with the Public Trustee. This is something that your government failed to address. We are doing what we can to try and address it in the context of our situation.

**Ms GIDDINGS** - As a former attorney-general who was responsible for the Public Trustee I take offence for that as well, considering these are issues that anyone is concerned about tries to find solutions too. My particular comment stands.

I cannot find the annual report on your website. I have just looked up publications and it is not there.

**Mr McKIM** - It might be a mobile device issue.

**Ms GIDDINGS** - No, our staff found it difficult to find before. I am sure that will be rectified but thank you very much for that.

Attorney, I understand your Chief of Staff has left your employ. Has there been a settlement with that?

**Dr GOODWIN** - What is the relevance to the Public Trustee?

**Ms GIDDINGS** - This is an opportunity to be able to question the minister as well.

*Members interjecting.*

**CHAIR** - Order. From the Chair's point of view we have an hour to scrutinise the Public Trustee. I need to keep the questions relevant to the Public Trustee because it has already been put to me today that an hour is not a long time for this scrutiny. If there is another question that goes to the Public Trustee?

**Ms GIDDINGS** - It appears that the chief adviser to the Attorney-General has gone and that is of interest to the public, particularly if there is a payout.

**CHAIR** - That may be fine but you are wasting the time allocated to scrutinise the Public Trustee. I take it you have another question, Ms Giddings, or I can go to the next question.

**Mr BROOKS** - I would like to hear the Attorney-General to go through the important work that the Trustee does, how that has gone since taking over Government and where we are looking

into the future. I would be really interested to hear that. I am sure the committee would, other than Mr McKim. He doesn't seem to care.

**Dr GOODWIN** - The RACT partnership is a really positive step forward. I know that the CEO and the Chair have significant plans for the Public Trustee. One issue that has cropped up in previous sessions has been around the Launceston office. The CEO might like to elaborate on the plans there and the concerns because at the moment that manager's position is vacant. Other members of the committee may well be interested in the impact of that and the plans to address that vacancy and service delivery. I might ask the CEO to comment about that.

**Ms GIDDINGS** - Perhaps some comment about why and where all your vacancies are in line with that because that is a very pertinent point. We would be interested to know where your vacancies are at the moment.

**Mr BENBOW** - At the moment the key vacancy is probably in Launceston. The position of Launceston manager has been vacant for around four months, but quite deliberately. Other vacancies occur all the time and 75 per cent of our workforce would be young females. We have a fairly high proportion of maternity leave at any given time, which is a great outcome. In terms of general vacancies there are probably more occurring in the south because we have a larger workforce. Our service delivery in Launceston has been a topic of conversation for this forum for a couple of years.

The key for us was consistency of service and at the moment our service coming out of Launceston is consistent with everything that is occurring around the state. What was of interest to me was not that we do not have a Launceston manager, but we seem to have had an extended period of problems in the consistency of service out of Launceston. The real issue is the way we deliver services out of Launceston. I am going through a process of re-engineering our administrative processes to make it more resilient for us to offer services out of smaller regions. That will incorporate possibly a manager out of Launceston, but it might not be an administrative type of manager. It might be someone who is more a service orientated manager and having, for example, a specialist unit in Launceston that deals with one aspect of our business.

**Mr BROOKS** - Given the current issues faced by regional Tasmania and, in particular, the high unemployment rate in Braddon and north-west and the west coast, what impact is that having on the service needs?

**Mr BENBOW** - Not significant, I think. We are not seeing it in terms of our service delivery. We are very aware of being available to all Tasmania. At the end of the day whatever service delivery comes out of the Public Trustee it is important to me that it is consistent, whether it be in Zeehan or Sandy Bay. That is the process that our organisation has undertaken.

**Ms GIDDINGS** - My question has been largely answered in that respect.

**Mr McKIM** - Attorney-General, you have been aware for some months, and as a result of the fee structures that we have been discussing today, the community sector is now reluctant to make applications for orders because it would result in financial ruin for the people they are trying to help. The community sector is taking on the role that the Public Trustee is supposed to do, with the regulatory framework, in an unofficial capacity. Do you agree that this results in massively increased risk for some of Tasmania's most disadvantaged people because there is no accountability mechanism or legislative or regulatory framework around the assistance that they are providing to



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these people? What are you going to do while your open-ended review, with no end date and no terms of reference, is under way to ensure that the interests of some of Tasmania's most disadvantaged people are protected?

**Mrs RYLAH** - What did you do?

**Dr GOODWIN** - That is a very good question, what did you do?

**Mr McKIM** - No, that is not the question I asked.

**Dr GOODWIN** - This is becoming quite repetitive. It is usually the case with your line of questioning.

**Mr McKIM** - Point of order, Chair. This is a completely new line of questioning.

**CHAIR** - The minister is answering the question.

**Mr McKIM** - It is a very new line of questioning.

**CHAIR** - I do not believe it needs a point of order this early into the answer.

**Mr BROOKS** - Mr McKim, runs to the umpire when he does not like the answer, but seems to ignore every other rule.

**Ms GIDDINGS** - You must have some sort of time frame, though. Normally you do know whether it is a six-month review.

**CHAIR** - The minister has the call and she was about to answer the question.

**Dr GOODWIN** - I have just indicated that we hope to have the terms of reference finalised very soon, certainly by the end of this month. We will then do the review as quickly as we can. As a first step we need to finalise the terms of reference.

**Ms GIDDINGS** - You still should know, were you expecting December -

**Mr McKIM** - Point of order, Chair.

**Dr GOODWIN** - This is a collaborative review between the Public Trustee, the Justice department and Treasury and Finance.

**CHAIR** - Point of order.

**Mr McKIM** - Thank you, Chair. I very specifically raised the issue of massively increased risk for some of Tasmania's most disadvantaged people whilst this Government's open-ended review, with no terms of reference, is underway. I have asked the Attorney-General what she is going to do -

[1 p.m.]

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**CHAIR** - As you well know, Standing Orders do not allow you the opportunity to re-ask a question. You are simply wasting the committee's time by going through and re-asking the question.

**Mr BROOKS** - On the point of order, Chair, I think the Attorney should be afforded the opportunity to answer without Mr McKim continuing bullying and interrupting.

**CHAIR** - I am trying to get to that point. I will give the call again to the minister, if we could listen in silence.

**Dr GOODWIN** - Mr McKim is running true to form. This is his method of operation every time we have -

**Mr McKIM** - Sticking up for disadvantaged Tasmanians - yes, that is right.

**Dr GOODWIN** - No, your method of operation is being rude and obnoxious in not accepting answers to questions because you do not like them. So you keep asking the same question.

**Mr McKIM** - Well, you have not answered the question, Attorney.

**Dr GOODWIN** - In your mind, perhaps.

**Mr McKIM** - In any reasonable person's mind.

**Dr GOODWIN** - This issue has been around for a long time. We are confronting it head-on. We are going to have this review. I have announced that we will have the terms of reference finalised soon. We will do the review as quickly as possible.

**Ms GIDDINGS** - Two years?

**Dr GOODWIN** - No, of course not. We will do it as quickly as possible.

**Mr McKIM** - What happens to these disadvantaged people whose risk is increased massively in the interim?

**Dr GOODWIN** - What has been happening to them under the previous government?

*Members interjecting.*

**CHAIR** - Order, Mr McKim, please.

**Dr GOODWIN** - It was raised at the GBE scrutiny committee last year and nothing was done about it. We are on the front foot; I have been having discussions with the Public Trustee about it since I became the Attorney-General. It was a matter that was raised very early on, and we are very conscious of the concerns raised last year. I have raised it with the Treasurer; we are going to have the review and we will address it. As I said the terms of reference will be finalised shortly.

**Mr McKIM** - You are well out of your depth.

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**Dr GOODWIN** - No, in fact you as the previous government were well out of your depth because you did absolutely nothing about it.

**The committee suspended at 1.02 p.m.**