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OUR REF:
YOUR REF:

9 December 2024

The Hon. Guy Barnett, MP
Deputy Premier
Treasurer
Level 10, Executive Building
15 Murray Street
HOBART TAS 7000

Dear Deputy Premier

Government Business Governance Reform: MAIB Submission

I refer to the Government Business Governance Reform document (**Draft Plan**) released on 3 November 2024 and the meeting between the Premier and yourself and all Government businesses on 13 November 2024.

The MAIB believes in strong governance processes and delivering sustainable, strong outcomes for the Tasmanian community. As such, the MAIB is committed to working with the Tasmanian Government to identify improvements in Government business governance and implementing the required changes arising from the reform process.

The MAIB's specific feedback on the Reform process is outlined below:

- The MAIB understands that its purpose is to serve the people of Tasmania in terms of providing a sustainable motor vehicle personal injury insurance scheme that supports people injured by road trauma. As per the GBE Act requirements, the MAIB has, and remains committed to, achieving a sustainable commercial rate of return that maximises value for the State in accordance with our corporate plan and having regard to the economic and social objectives of the State. The MAIB believes this legislated core purpose is an appropriate basis to ensure Government businesses are focussed on serving the Tasmanian community.
- The MAIB supports the principle of diversity on Tasmanian Government Business Boards and notes, that apart from targeting 50% Tasmanian directors, there are no other diversity targets in the Draft Plan. In addition, setting a specific diversity target of 50% Tasmanian, may make it difficult to meet other diversity targets, particularly for small Boards. This can impact on building capability of emerging Non-Executive Directors (NEDs) in Tasmania, while still meeting the broad skills-based requirements for Boards. The MAIB believes there should continue to be opportunities for new Tasmanian NEDs to join Government Business Boards through a transitioning cross-over with retiring Directors, as recently demonstrated with the appointment of Kate Gillies ahead of the retirement from the Board of Naomi Walsh.
- The MAIB, like all other GBEs, is subject to an annual external audit by the Tasmanian Audit Office. Subject to the office having sufficient capacity, it is possible that some of the proposed oversight and review governance reforms may be achieved through performance audits by the Auditor-General.

- Under the proposed capacity for the Shareholding Ministers to appoint a ministerial representative to a Board if the Board's performance is unsatisfactory, it is suggested that any such representative has sufficient capacity and the requisite commercial and industry-specific skills to enable appropriate oversight of the Government business.

We would be pleased to discuss the above points with Treasury officers and the MAIB looks forward to the outcomes from the reform process and further engaging with the Government.

Yours sincerely



Lance Balcombe
Chair

cc: the Hon. Eric Abetz MP