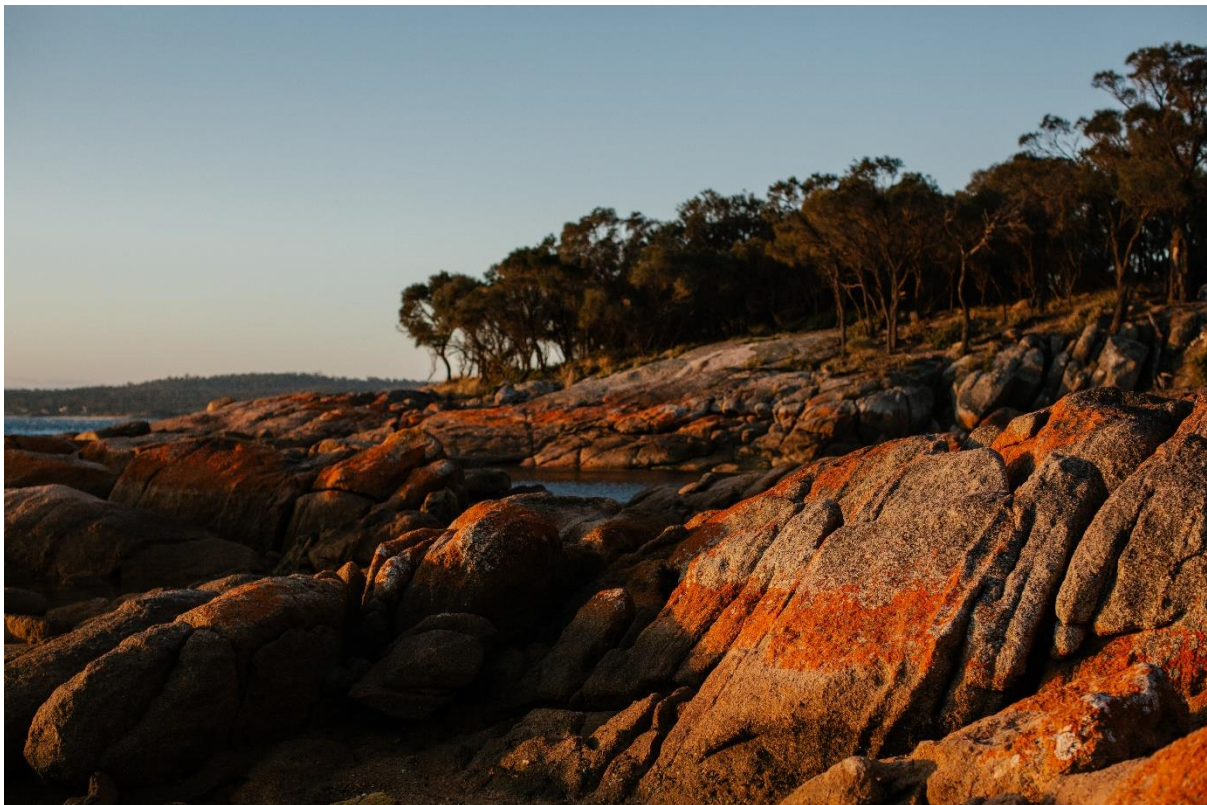




25 November 2026  
marks 200 years of auditing  
for a better Tasmania



**Martin Thompson – Auditor-General**  
**Address to the Australasian Council of Public Accounts Committees**

Parliament House, Hobart, Tasmania

Monday 20 April 2026

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***Acknowledgement of country and attendees***

## ***200 Years of Public Sector Audit in Tasmania***

My address will take us back to before the establishment of the role of Auditor-General in Tasmania from where I will attempt to describe a journey to the present day, illustrating the important role that Auditors-General have played throughout this period. I will look toward the opportunities, risks and challenges that public sector audit and Audit Tasmania face as we enter our third century of public sector auditing.

### ***An Ancient Land***

Long before the arrival of British settlers in 1803, the place we now call Hobart was a thriving, living landscape shaped over thousands of years by the Muwinina people, cared for and lived from these lands as part of their Country. Under the watchful presence of Kunanyi/ Mount Wellington. Middens along the banks of Timtumili minanya /the River Derwent provided quiet evidence of countless generations gathering food along its shores. The broader landscape was anything but wild or untouched. It was carefully managed through intentional burning that maintained open grasslands, sustained wildlife, and kept the country healthy and productive. Far from a blank canvas, this was a vibrant cultural landscape—shaped, stewarded, and known intimately for over 40,000 years before Europeans ever set eyes on it.

***This recognises and acknowledges the resilience of Palawa nation, the richness of this culture and what we can learn about stewardship, custodianship, caring for the land, the culture, the community.***

## ***Our Origin Story***



On 25 November 2026, it will be 200 years since the first Auditor-General was appointed in Tasmania (then Hobart Town in Van Diemen’s Land). Since that date, 18 independent Auditors-General have contributed to the stability, transparency and accountability of the State, providing Parliament and Tasmanians more broadly, with confidence in the operations of our state sector.

The history of the role is naturally, inextricably linked to the history of the colony and the state, such that it’s hard to imagine what it would be like if there hadn’t been the role of Auditor-General for all that time.

We can get an insight into the answer to this question from how the role of Auditor-General came to be established.

*And for this I am indebted to Lindy Scripps, historian, who wrote a history of the Tasmanian Audit Office, a book that I commend to you if you would like to know more.*

Every organisation, corporation, family has an origin story, many are inspirational others not so much. Audit Tasmania’s origin story may not be as inspiring as some; however it is insightful and serves to reinforce that all ***too often, in the absence of effective oversight, things tend to go wrong.***

### ***The police account – our origin story***

In 1810 the police fund of Hobart town was established for the fair expenses of the police and other colonial officers. The Naval Officer was both the Treasurer of the fund and responsible for the collection of duties and expenditure from the fund. This arrangement continued unquestioned for many years. I can sense that this lack of segregation of duties already has the Auditor in this room alert to the risks.

In 1824, soon after his arrival in Van Dieman's Land, Lieutenant Governor Arthur found that "there appeared to be no check whatsoever on the accounts", further enquiries discovered that the Naval Officer and his clerk had embezzled the sum of £8,388 4s. approximately \$1.8 million in today's AUD.

Among other things, this substantial fraud confirmed in the mind of the Governor, the need to better manager public accounts and culminated in the appointment, on 25 November 1826, of GTWB Boyes as Auditor of Colonial Accounts of Van Dieman's Land.

### ***What the role was***

At the outset, the Colonial Auditor was very different to what we see today, the Colonial Auditor was required to examine accounts before payment and keep public books of account. Boyes had the responsibility of physically counting the ducats, doubloons, Spanish dollars, rupees and gold sovereigns contained in the Colonial Chest.

***So the initial catalyst for the role was to improve integrity, transparency and accountability and to act as a safeguard, providing the Governor with assurance in relation to the proper management, by the administration, of the resources of the colony – this purpose has changed little over the following 200 years.***

## **Our first Auditor**



George Thomas William Blamey Boyes (Boyes) was born in 1786 near Portsea on the south coast of England. In 1809, at the age of 23, Boyes joined the Commissariat branch of the British Army and served in Portugal and Spain during the Peninsula War. After the war, Boyes was called upon to fill a posting in New South Wales.

On the way to Sydney, Boyes's ship called in Hobart. Boyes was immediately captivated the beauty and physical setting of the town of Hobart and envisaged a future home for his wife and children. Boyes wrote to his wife:

*Hobart Town looks like a country village in England. It contains as many houses as perhaps Petersfield and is spread over three times the space of ground, much of which is undulating. The houses in Macquarie Street are neat and handsome, generally of two stories, either whitened or red brick, they are placed at some distance apart, and the intervening spaces are filled with sweet briar hedges, rose trees, abundance of stocks and wall flowers, geraniums and vines, all growing up together with some of the native evergreens in great abundance.*

While Boyes continued on to take up his position in Sydney it was only a short time later, in 1825, that Van Diemen's land was formally separated from New South Wales and with this separation, came the opportunity for Boyes to return to Hobart to take up the role of Civil and Colonial Auditor.

I will not run through the backstory of each of the 18 Tasmanian Auditors-General, however, before moving on, I feel it useful to share that like Boyes, I was drawn to Tasmania by both the opportunity to serve as Auditor-General and by the beauty of Tasmania, both its built and natural environment, by the proximity to the water and the bush. As great an opportunity and honour as it is to serve as an Auditor-General, in any jurisdiction, it was the beauty of Tasmania that sealed the deal for me.

And it is not only me that has had a somewhat parallel experience to that of our first auditor. Indeed, a significant majority of Audit Tasmania's team members have been drawn to Tasmania from other places. Many have come from overseas and the mainland to Tasmania to study, and have then commenced their careers with Audit Tasmania, others, like me, have come for the opportunity to grow and live in such a wonderful place. Without exception all of us, regardless of where we have come from, our how long we have been here, recognise and value the opportunity to be Tasmanian.

***Tasmania has, since settlement, been a place of captives captivation, and opportunity with people who now live and work hear coming from all points of the globe***

## ***The Penal Colony***



Reflecting on the history of Tasmania, it is impossible not to include some detail about our founding as a strategic penal colony, designed in part to prevent French territorial claims during the Napoleonic wars and to alleviate overcrowding in the New South Wales prisons.

The Cascades Female Factory was purpose-built in 1828 and operated as a convict facility until 1856. It was intended to remove women convicts from the negative influences and temptations of Hobart, and also to protect society from what was seen as their immorality and corrupting influence. The Factory was located, however, in an area of damp swamp land, and with overcrowding, poor sanitation and inadequate food and clothes, there was a high rate of disease and mortality among its inmates.

Between 1804 and 1853, around 76,000 British convicts were transported to Van Diemen's Land (now Tasmania), making it the most intensive penal colony in Australia. The system provided forced labour for free settlers and harsh punishment at sites like Port Arthur, designed for secondary offenders.

Key Aspects of Tasmanian Convict History:

- **Period of Transportation:** From 1804 to 1853, approx. 76,000 convicts were transported, including about 13,500 women.
- **Renaming:** Known as Van Diemen's Land until 1856, it was renamed Tasmania following the end of transportation.

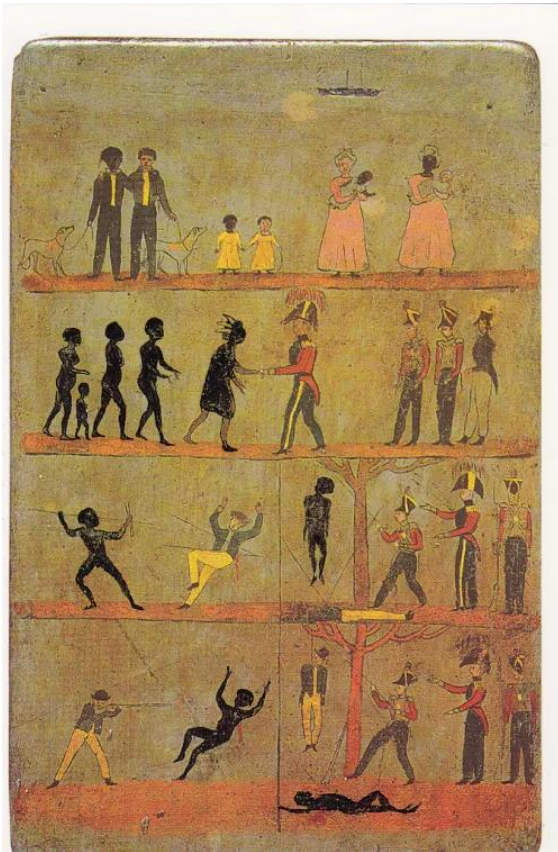
- Convicts were assigned to free settlers or worked in "chain gangs" on infrastructure projects, such as the Bridgewater causeway.

Major Penal Settlements:

- Port Arthur: The most infamous, known for harsh, systematic punishment.
- Maria Island (Darlington): Operated as a probation station.
- Sarah Island (Macquarie Harbour): Known as an isolated, brutal penal station.
- Risdon Cove & Sullivan's Cove: Initial, early settlements.

***Tasmania, or Van Dieman's Land as it was then known, in its early days was a dark and difficult place, and it was through this period that the role of Auditor-General was first established.***

## ***The Black wars***



### **Governor Arthur's Proclamation to the Aboriginal People, c.1830,**

No discussion on Tasmanian history would be complete without including comment on the Black War, my comments on this matter are largely sourced from resources provided by the National Museum of Australia, and if you are interested to further understand this part of Tasmania, and indeed Australia's history I encourage you to seek out 'the black line' which is a resource available on the NMA's website.

In about 1824 the 'Black War' began. The most extensive conflict in Australian history, the Black War was extremely violent. Settlers drove Tasmanian Aborigines from their lands, murdering many. Tasmanian Aborigines also attacked and killed settlers and their families, raiding houses and farms for food and resources, and trying to drive out the British.

Initially, the Governor, Arthur, dealt with Tasmanian Aborigine resistance-fighters by treating them as criminals and bringing them before the courts for punishment when they were caught.

By 1826, thinking that this approach was proving fruitless, Arthur declared all Aboriginal resistance-fighters to be insurgents, meaning that soldiers and police could raid Aboriginal camps without provocation to arrest and detain any Tasmanian Aborigines they found.

Many Tasmanian Aborigines were shot on sight, including women and children, leading to further escalations in retaliatory violence.

In 1828 the fighting had become so vicious that Arthur declared martial law in the settled districts, labelling Tasmanian Aborigines as 'open enemies' of the state and giving them no protection under the law.

In September 1830 under pressure from the advisory Aborigines Committee, Arthur called for a leveé en masse (a large conscripted force of able-bodied men)

### **Black Line**

The leveé, soon called the 'Black Line', was designed to force the Oyster Bay, Big River, North Midlands and Ben Lomond nations from their lands.

Colonists would form a line stretching across the settled districts and move south, pushing the local Tasmanian Aborigines onto the Tasman Peninsula where they could be rounded up.

From there they would be relocated to Wybalenna, on Tasmania's Flinders Island, putting an end to their resistance.

Confined to poor accommodation, exiled from their homes, suffering emotional trauma, plagued by disease and severely malnourished, most of those at the settlement died within a few years.

By 1847 only 40 people still survived at Wybalenna. Considered the 'last remaining' Tasmanian Aborigines, this small group was relocated to the Tasmanian mainland at Oyster Cove. By 1876 all but one of them had passed away.

Despite the savage reduction in their numbers and widespread attempts by settlers to remove all Aboriginal people from the colony of Tasmania, Aboriginal Tasmanians have shown incredible resilience. According to the

2016 census 23,580 people in Tasmania identified as Aboriginal and/or Torres Strait Islander.

Culture and traditions, passed down by the Aboriginal survivors of early European violence, remain. Traditional skills such as basket and necklace making and mutton birding are prominent in the community, who also participate in ceremony and learning and sharing language with younger generations.

**I hope this has provided you with an insight into the history of Tasmania that is not often told and to set the context for the early years of the establishment of the Audit Office. And to acknowledge some of our awful history and yet the resilience and stewardship of Aboriginal people on this island.**

### ***Audit Tasmania's Timeline***

One of the great things about Hobart as a city now, is that we can still see what the built environment was like 200 years ago. While there has been a lot of development and change, there are still many buildings that date back to 1826. Just down the road we have:



**1815 onwards - Customs House and Bond Store, 19-21 Davey Street, Cnr Dunn Street, Hobart, Tas**

The Federation Classical style three storey Customs House, which today houses the Museum and Art Gallery Administration, was built in 1903 just after Federation and the passage of the first Audit act. The Bond Store, which sits behind this building was constructed in 1815 and is one of the oldest surviving warehouses in Australia. It was at this time that the Naval Officer and his clerk were plundering the resources of the colony without check.



### **1820s onwards - Jones & Co. Factory and Warehouses, 14-41 Hunter Street, Hobart, Tas.**

These stores, built for Henry Jones' famous IXL Jam manufacturing company, are part of one of Australia's finest harbourside colonial warehouse streetscapes. The nine connected, mainly three storey stone buildings were constructed with iron roofs, arched goods entries and Georgian windows. Through the period of construction and development:

- GTWB Boyes commenced in 1826, his Office was named the Office of Civil Accounts and consisted of Boyes, and 2 Clerks
- In 1827, legislation was passed including regulations for making up and controlling the accounts of the Civil Establishment
- In 1829, the office was designated Audit Office



**From 1824 onwards - Franklin Square Public Buildings, Franklin**

### **Square, Hobart, Tas.**

The government administration of Tasmania has been centred upon this complex of buildings since colonial times. The first building, the Court House, was built in 1824 – the same year that Governor Arthur was appointed and Boyes was making his way to Sydney

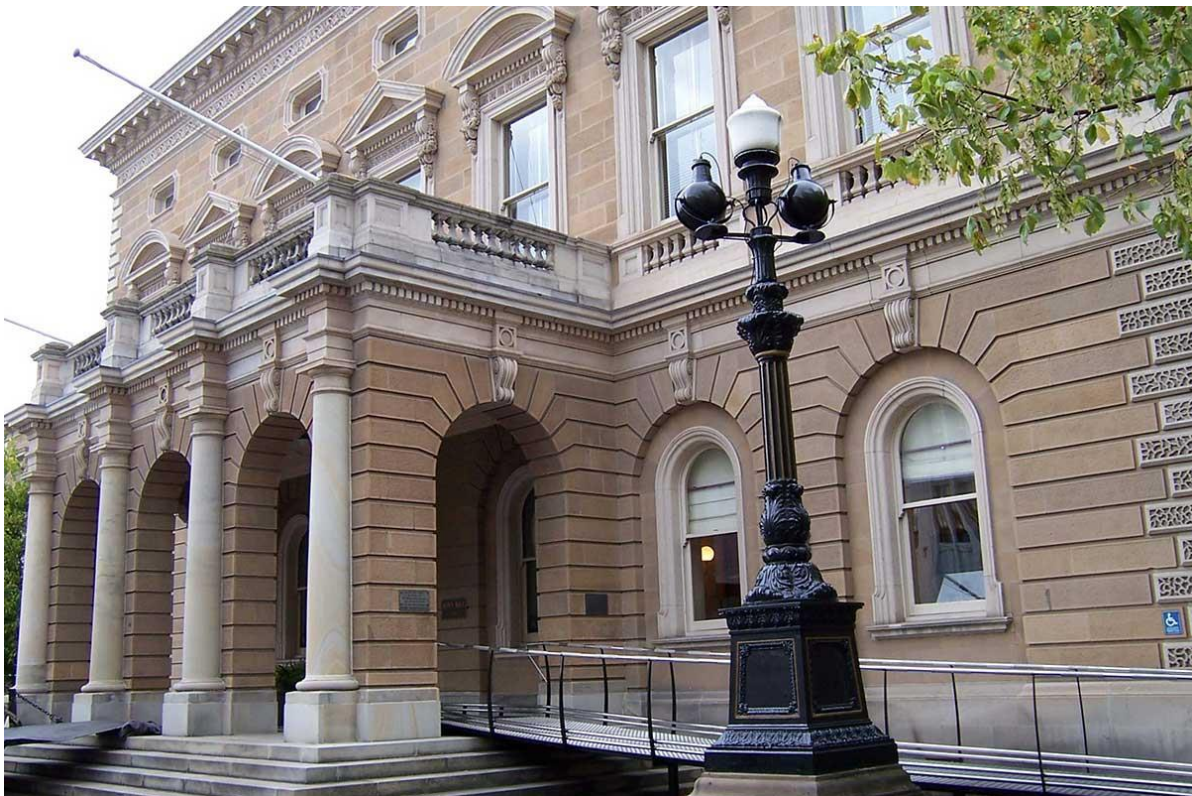


### **1849 - Hadleys Hotel**

Many famous Australian and international guests came to stay including Tasmania's famous son Errol Flynn (movie actor), entrepreneur Henry

Jones ('King of Jam') and (Antarctic) explorers Australian Douglas Mawson as well as Norwegian Roald Amundsen. " The current building was built by convict labour and began trading as the Marquis of Waterford in 1849, later to be known as Webb's Hotel after being purchased by a pardoned convict, John Webb. It was at this time that

- In 1850 the Australian Colonies Better Government Act was passed. The Act was a landmark British Parliament act passed on 5 August 1850 that significantly advanced Australian self-governance. It separated Port Phillip from New South Wales to create the colony of Victoria, **granted representative legislative councils to Victoria, South Australia, and Tasmania**, and brought the colonies closer to responsible self-government
- In 1853, after 27 years in the role and at the age of 67 GTWB Boyes dies in office.
- The Constitution Act 1855 granted Tasmania responsible self-government, establishing a bicameral Parliament with a 15-member Legislative Council and 30-member House of Assembly, it enabled elected representation and independence from British administrative control.



**1864-66 - Hobart Town Hall, Cnr Macquarie and Elizabeth Streets, Hobart, Tas.**

Classical Revival is a style commonly used in Australian town halls, and this is an excellent example.

- In 1862 – the Tasmanian Public Accounts Committee was established (acknowledge the work of Simon Scott) – Whilst three commissions of enquiry into the Colony’s public departments came into existence between 1857 and 1863, none of these lines of inquiry mentioned nor supported the establishment of an ongoing Parliamentary Accounts Committee within the Tasmanian Parliament. Notwithstanding this, on 28 August 1862 Tasmania saw the appointment of a six Member House of Assembly Select Committee to enquire into the system of keeping and auditing Public Accounts. This eventuated after a new clerk from the Post Office that went to work for the Colonial Treasury discovered that an amount of £25,000 could not be accounted for: in fact, it could not be readily ascertained as to whether the amount was lost or a mistake.

***So there’s a link between integrity and the establishment of the Audit role 46 years earlier and a link to the establishment of the Public Accounts Committee which has also sustained to this day***

- 1875 – 1888, multiple amendments are made to the Audit Act, office grows to AG, Chief Clerk, 8 clerks and Messenger



**Hobart from on board a boat in Sullivan's cove in 1900**

- 1901 – Federation, Audit Act 1901 passed, office grows to AG, Chief Clerk, 10 Clerks and Messenger
- Around this time Miss J. F Beattie was employed as a temporary employee. While this was the first women to be employed, at the time it had not been thought desirable 'to admit a lady' to the Audit Department in 1904, and it was not until the early months of the war that Miss Beattie was employed on a more permanent basis.



**1940 - Hydro Electric Commission Sub Station, Davey Street, Hobart, Tas.**

There are many great examples of sub-stations around Tasmanian towns and cities from the 20th century. This one, with its columned opaque glass brick windows and simple horizontal ribbing, is classic Art Moderne

- 1950 s. Office at 1951 AG, Deputy AG, 19 Inspectors, 18 Clerks 1 Audit Asst, 7 Comptometrists (calculator operators) total staff of 41

I would like to take a moment to step away from the time line to talk, briefly about a very important point in history:– ***The Batt Report and the 1948 Constitutional Crisis***, These serve to shine a light on how the independence of the role of Auditor-General was compromised in the absence of an effective PAC, and perhaps an informed, engaged and balanced media.

In leading up to the 1944 Public Accounts Committee report, the Tasmanian Government attempted to amend the Audit Act 1918 by introducing a retirement age for Auditors-General: 70 for the incumbent Auditor-General, Mr Frederick Batt, and 65 years for succeeding Auditors-General. The Opposition alleged that the move was aimed purely at getting rid of Batt and if, as was suspected, his upcoming report revealed differences with the Government it would be 'a serious blow to the independence of the Auditor General that, following the disagreement, the Government should remove him from office'. The Standing Committee of Public Accounts: Report on Auditor General's Report for the Year Ended 30th June 1943 (No.49 of 1944) was scathing of the Auditor-General: '**... the contents of the Auditor General's report to Parliament for 1942-43 seriously misinformed Parliament in some most important respects, and that there is cumulative proof that his conduct, in many respects, has been such as not to entitle him to the continued confidence of Parliament ...**' The Opposition Members of the Committee in a minority report dissented:<sup>10</sup> '**... Having examined all of the evidence we are of opinion that there is very little in the Auditor-General's report to which any serious objection can be taken. It is clear that there have been occasions when a difference of opinion has been possible, but in the exercise of wide discretionary powers that an Auditor-General must have if he is to be of any real use as a check on improper or unauthorised expenditure of State funds, there is no evidence that the Auditor-General has abused the power vested in him ...**' Following the tabling of the Committee's report, the last weeks of the parliamentary session were dominated by debate about Mr Batt. The Auditor-General had the support of the Opposition, the Legislative Council and the Mercury newspaper: '**That extraordinary tribunal, the Public Accounts Committee, on which the accused – that is, the Government – sat on the bench in judgment, while the accuser, the Auditor-General (Mr Batt), found himself figuratively in the dock, has tabled its report ... From the practical point of view, the official report of the committee has the total lack of value which might be expected when a political group deliberately sets out in judgment on itself and whitewashes its actions. If the committee had produced anything else but a report which described itself as a pillar of honest public finance, it could have claimed also to be the eighth wonder of the world. However obvious the report is, its sinister implications are clearly seen, for it seems that the Government is anxious to rid itself, by any means, of an officer of Parliament who has done his duty so well that he has been too critical of the way the finances of the State are handled. It is becoming more obvious also that the Government intends to remove Mr Batt, not honestly by a decision of parliament, but by a back-door methods so well in keeping with the motives behind such an action.**' Two Royal Commissions later, the standing down of the

incumbent Premier pending trial of receiving improper payments (found not guilty and later resumed their seat in Parliament), and the Legislative Council voting down the Government's budget, the state was plunged into a constitutional crisis. It may be argued that this period foreshadowed a low point in Public Accounts Committee parliamentary oversight for the intervening period. After this period, it was not until 1960 that the PAC was elevated to a standing committee that would be established at the commencement of every term.

***An effective PAC is a safeguard to the independence of the role of Auditor-General. PACs have a critical role to play in the integrity framework – particularly in contested times.***



**1954 - Commonwealth Bank, 81-87 Elizabeth Street, Cnr Liverpool Street, Hobart, Tas.**

Back to our tour of Hobart: The finished structure had nine floors, including two below ground level. ***The entire building was used by the Commonwealth Bank, with the fourth floor devoted to staff amenities including a cafeteria, kitchen, dining room, rest and recreation rooms, and a library.*** The bank's official opening was attended by more than 1,500 people. It was proclaimed as a palace of commerce that would provide banking services to the city for many generations. The new bank was said to be Hobart's equivalent to New York's Rockefeller Institute Building. The premises were formally opened when the bank's governor pressed a button which electrically opened the bank's two main sliding doors.

- In the Audit Office in 1960 – Office grew in line with state to include the AG, Deputy AG 31 Auditors, 21 Clerks, 9 Stenographers/machinists (52)

- It was the advent of technology impacting on the audit process



**1980 - Hobart Private Hospital, Cnr Argyle and Collins Streets, Hobart, Tas.**

- 1980 – first women employed as auditors
- 1984 Office staffing peaks at 90 – just before advent of significant advances in technology lead to efficiency and automation.
- Performance auditing was introduced in Australia in 1979 following recommendations from the 1976 Coombs Royal Commission. The Commonwealth Audit Act was amended that year to empower the Australian Audit Office (now the ANAO) to conduct "efficiency audits". While Audit Tasmania made some early attempts at performance audit work under the former Financial Management and Audit Act 1990, this was not formalised into a dedicated function until 2008 with the advent of the Audit Act 2008. This Act provided a legislative framework for audits of economy, efficiency and effectiveness.
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**2002 - Federation Concert Hall & Convention Centre, 1 Davey Street, Hobart, Tas**

Love it or hate it—there is no ignoring the brass-clad exterior! Hobart’s striking Federation Concert Hall is a large, brass-plated Gasometer-like cylinder clinging to the side of the Hotel Grand Chancellor. Its once gleaming exterior has weathered with time (along with the hall’s controversy) and the venue has been embraced as the home for the renowned Tasmanian Symphony Orchestra

- Accrual accounting was introduced in 1996-97, leading to a full accrual framework, including budget by 2003-04.
- Move to risk-based auditing (away from transaction approach)
- 2003 staffing down to 38 through advent of contracting out and streamlining of audit processes.



### **The new Bridgewater bridge – opened in 2025.**

Today, with a team of around 65, Audit Tasmania is the largest assurance practice in Tasmania. We no longer outsource to the private sector, unless it is to bring in a specialist skills set, to complement our existing team members. We are a **high-performing multidisciplinary audit office** bringing together diverse professional capabilities (financial, performance, IT, data, legal, infrastructure, policy, and social sciences). We integrate these capabilities into a coherent, trusted assurance function. Our strength lies not only in technical competence, but in how effectively those skills are combined, governed, and applied to deliver insightful, credible, and timely audit reports to the Parliament.

***Audit Tasmania has developed, grown and evolved as the state has, it is critical that as the complexity and challenges and risks grow, the assurance and integrity frameworks are provided with the resources and independence to meet the changing needs of the parliament and people of Tasmania***



***What the office looks like today, who is in it, how they came to be here, how that's a strength***

We are a very different organisation to that of 20 years ago, let alone 200. As an office, more is asked of us and we ask more of our team members. The days of auditors rustling around records rooms seeking out copies of documents to substantiate transactions are long gone.

Our team members need to be whole of systems thinkers, they need to be expert users of technology, they need to be able to apply complex accounting, regulatory and compliance concepts to a wide range of situations, they need to exercise judgements and form evidence-based conclusions that comply with the relevant professional standards and they need to do all this quickly.

In addition, team members need to have the expert interpersonal skills to be able to engage with auditees. Without high level interpersonal skills, it is simply not possible to utilise any of the technical skills I mentioned a moment ago.

Finally, and probably most importantly, our team members need to be effective communicators. The reports of yesteryear are no longer fit for purpose – we need to be clear, concise and timely and most importantly we need to frame our reports with time poor Parliamentarians and the

citizens of Tasmania to get our message across while reinforcing the rigour that sits behind all our work.

***Todays Audit Offices are full of a broad skill base – the work continues to be done at the highest professional standard – we have the skills, expertise. Methodology and professional standards required to provide insight across all operations of government. Reports need to be framed with Parliamentarians and the people of Tasmania in mind.***

### ***Where are we headed***

Entering the third century of public sector audit is an exciting and challenging time. Our assurance mandate will grow through the development of Sustainability Assurance, While initially this is limited to certain auditees and to climate related disclosures, it is likely that this will grow to cover more auditees (or sectors) as well as, overtime expand into the other sustainability areas including areas such as Governance and Ethics and Social and Human Capital.

Advancing technology continues to impact on our audit and auditors, as our auditees move to more advances technologies we continue to upskill and adopt technologies that assist us in delivering efficient, effective and economical audits. When thinking about technology, it is worth noting some observations made by Amir Ghandar from CAANZ. Amir observed that:

“At the heart of audit lies trust, accountability, and ethical judgment, and these are human qualities that algorithms can assist but not replicate.

“Technology enhances auditors' work, but it’s the human touch that earns trust and drives real-world change.

“Advanced technologies like AI and data analytics are transforming audit execution Today’s auditors are not just ticking boxes – they’re telling data stories, understanding business strategy, and building relationships.

So, while our tools, and those of our auditees will change through advances in technology, integrity, accountability, quality, judgement will remain at the core of the audit process.

Today Audit Tasmania offers a career where curious thinkers meet meaningful work. It enables our team to make a difference – through insight, integrity, and innovation.”

***To reinforce that despite significant and ever-increasing changes, the core audit skills and qualities remain the same – while we need to adopt technology and manage changing risks, the key qualities of a good auditor in 1826 are the same as those in 2026***

## ***Looking ahead and remembering the past***



In 2026, the state sector, its structures, systems, operations, size, tools and technology bear little if any resemblance to that of 1826. It is easy to get lost in the seeming complexity of data, AI and shrinking world with growing risk. However, at its core, the purpose, or more accurately the ‘why’ of the Auditor-General has changed little over the last 200 years. In 1826, after the discovery of a significant fraud, it was realised that an Auditor-General was needed to provide oversight, and if we dig a little deeper into why we want oversight, it is apparent that what Governor Arthur really wanted was assurance and improved processes. The fraud of the police account identified the need for a better system, and role of the Auditor-General was to contribute to that better system. Today we are clear on this, our strategic plan identifies that our purpose, or our why, is to Audit for a better Tasmania.

We are clear on how we do this – by providing the Parliament with insightful reports to improve public sector performance and accountability. All of this is done in accordance with our values of connect, innovate grow, impact and integrity.

***To further reinforce the that the core role and function of integrity, transparency and accountability remain unchanged***

## What is changing



While the core of the role remains the same, the risk and challenges we face today are real and have the potential to impact adversely on our effectiveness. Some of these have been around for a while, however some are emerging or increasing in impact today. We are seeing

- An erosion of trust and legitimacy – at all levels of government and society. Public confidence in institutions is declining. This is a risk for audit offices, they may be seen as politicised, could be seen as too slow or technical to respond to fast moving public concerns, reports could be dismissed as wrong or simple opinion.
- Independence – this is a real threat that is currently impacting Audit Offices across ACAG, independent benchmarking that will be discussed after the break has found that many offices in our region, including Audit Tasmania, are exposed to a vulnerability in terms of financial, managerial and administrative autonomy and availability of appropriate resources
- Complexity, we risk falling behind by not investing adequately in government complexity – use of AI by agencies, complex financial transactions, increased outsourcing/consultancy, algorithm-based assessments, sustainability all represent challenges, if we don't understand it we can't audit it.

We are operating in an environment of increasing volatility:(media, parliament, agencies, speed of change. Traditionally, our best defence to these challenges has been the quality of people and our work that is undertaken in accordance with an appropriate methodology, relevant professional standards, and is subject to rigorous internal and external quality assurance processes. Our reports speak for themselves.

However, in these changing times, these steps may not be enough. To address the volatility of our environment

- we need to more assertively advocate for true independence, independence that will enable the provision of resources that enable an appropriate level of audit activity,
- we need to ensure that we have the autonomy and flexibility to arrange our resources in a manner that suits a modern assurance practice, and not be constrained by boundaries that the executive level of Government might seek to apply generally to government sector entities

We need to more actively address challenges or dismissal of our findings,

- we need to remind those that may dismiss or attempt to reduce the importance of our reports that the report has gone through a rigorous evidence based audit process in accordance with relevant professional standards, all findings have been reviewed at multiple levels and the report is backed by 200 years of public sector audit experience and expertise.

***The PAC has a role to play in all these areas, PACs are also an important part of the integrity framework, and if they do not advocate and support Auditors-General in facing these issues then the likelihood of managing these issues effectively is reduced. While independent, Auditors-General depend on strong and updated legislation with the support of their PACs)***

## **Closing comment**

The Auditor-General in Tasmania has been a constant for 200 years. Boyes, and all the Auditors-General who followed, including me are stewards not owners, we protect the role for the time that they have the honour to serve. We seek to ensure that the role continues to be an effective safeguard within the integrity environment, that Parliament continues to be provided with an appropriate level of assurance and insight. We all face challenges from time to time, and we look to our PAC's for support and advocacy. And here in Tasmania, we will continue to draw inspiration from the Palawa people who served as custodians and protectors of Lutruwita /Tasmania and have shaped and provided stewardship over this land for 40,000 years.