

Public Trustee (Interest Rate) Amendment Regulation (No. 3) 2025

Explanatory Notes for SL 2025 No. 133

made under the *Public Trustee Act 1978*

General Outline

Short Title

Public Trustee (Interest Rate) Amendment Regulation (No. 3) 2025.

Authorising Law

Section 142 of the *Public Trustee Act 1978*.

Policy objectives and the reasons for them

The purpose of the *Public Trustee (Interest Rate) Amendment Regulation (No. 3) 2025* (Amendment Regulation) is to amend the interest rates payable under the *Public Trustee Regulation 2023* (the Regulation) on amounts held in the Public Trustee's common fund.

The interest rates in the Regulation are intended to reflect the results of the regular review undertaken by the Public Trustee of interest rates payable under the Regulation. At the time of each review, the Public Trustee analyses the market return of a comparative set of competitive financial products and prevailing economic conditions to arrive at an appropriate interest rate for each of the classes of amounts within the common fund held on behalf of customers of the Public Trustee.

The policy objective of the Amendment Regulation is to set a rate of interest payable on monies held in the common fund that reflects the market rate of return of a comparative set of competitive financial products and prevailing economic conditions.

Achievement of policy objectives

The Amendment Regulation amends the Regulation to give effect to the stated policy objectives.

The effect of the Amendment Regulation will be to amend the interest rate for amounts held in the Public Trustee's common fund for the Classes specified below, from 1 November 2025 as follows:

Funds held for	Current Interest Rate	Proposed Interest Rate from 01/11/2025
Class 1 and Class 5 amounts, other than a term deposit amount: General Trusts, Minor Beneficiaries, Life Interest Estates, Trusts and Deceased Estates	0.18%	0.17%

Funds held for	Current Interest Rate	Proposed Interest Rate from 01/11/2025
Class 2(c) and Class 3 amounts, other than a term deposit amount: Agency Deposit At Call Accounts, Financial Management Customers and Enduring Powers of Attorney Accounts	1.41%	1.20%

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the policy objectives of the *Public Trustee Act 1978*. The policy objective of the authorising law is to ensure that estates having moneys in the common fund are credited, at least annually, with interest at the prescribed rate. The Amendment Regulation amends aspects of the prescribed rates of interest to ensure that estates forming part of the common fund receive interest payments of an amount that is appropriate, having regard to comparable market returns.

Inconsistency with policy objectives of other legislation

The Amendment Regulation is not inconsistent with the policy objectives of other legislation.

Benefits and costs of implementation

The implementation of the Amendment Regulation will not impose any cost on the community.

Implementing the Amendment Regulation will not result in an increase in costs for Government as administration will remain subject to existing processes and staffing.

The benefit of the Amendment Regulation is to align the interest rates payable on amounts held in the Public Trustee's common fund with the interest rate review undertaken by the Public Trustee using the methodology endorsed by the Public Trust Office Investment Board.

Consistency with fundamental legislative principles

The Amendment Regulation does not raise any fundamental legislative principle issues.

Consultation

An Impact Analysis Statement has been prepared which identifies that the proposed amendments to interest rates are not subject to regulatory impact assessment requirements under the *Queensland Government Better Regulation Policy* as it is a regulatory proposal that is machinery in nature.