

# Government agencies unfair and unreasonable in administering financial remedies

A Commonwealth Ombudsman investigation released today found instances where administration of financial remedies by government agencies for government wrongs was defensive, passive, secretive, inconsistent and untimely.

The Ombudsman investigated the Department of Home Affairs, Department of Finance, Department of Foreign Affairs and Trade and Services Australia, however the issues we saw are almost certainly also happening more widely across the public service.

The financial remedies considered in the investigation are the Scheme for Compensation for Detriment caused by Defective Administration (the CDDA Scheme) and the legislative mechanisms of Act of Grace and Waiver of Debt. These remedies are intended to help the public obtain redress for agency wrongs.

*‘While the payment of money or the waiving of a debt may not undo every impact of a wrong, it can— when done properly— acknowledge the harm caused to people, remedy loss, demonstrate accountability and build trust in public administration,’* said Commonwealth Ombudsman, Iain Anderson.

The Ombudsman found that actions of the 4 agencies investigated have been, to varying degrees, unfair, unreasonable and wrong in all the circumstances.

It was found that agencies were interpreting and inflexibly applying the law, not proactively remediating large-scale errors, not offering reasonable assistance or providing an easy-to-use claims process.

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*'There should be access to an accountable, fair and transparent system of financial remedies where agencies can be held responsible for these mistakes and the loss they have caused. And agencies need to proactively use this system.'* added Mr Anderson.

The agencies also failed to learn lessons from claims, undertake quality management activities, apply consistent approaches, provide timely decisions and publish meaningful information about claims and decisions for the public and Parliament.

In this report, the Ombudsman made 5 recommendations to improve access to an accountable, fair and transparent system of financial remedies. The recommendations suggest changes to policy guidance to better promote accountability, fairness and transparency in how agencies use the financial remedies.

Read the full report on the [Commonwealth Ombudsman website](#).

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