# **Chapter 1**

## Introduction

- 1.1 On 7 December 2017, the Senate referred the Judiciary Amendment (Commonwealth Model Litigant Obligations) Bill 2017 (the bill) to the Legal and Constitutional Affairs Legislation Committee (the committee) for inquiry and report by 8 May 2018. The committee's reporting date was extended on four occasions to, in turn, 28 June 2018, 27 July 2018, 19 September 2018, and 7 December 2018.
- 1.2 In recommending the referral of the bill, the Selection of Bills Committee raised the following issue for consideration:

Whether the bill appropriately responds to the September 2014 Productivity Commission recommendation, in its Access to Justice report, that compliance with model litigant obligations should be enforceable.<sup>2</sup>

### **Conduct of this inquiry**

- 1.3 Details of the inquiry were advertised on the committee's website. The committee also invited a range of potential submitters to make a written submission by 28 February 2018, but accepted some submissions after that date. The committee received 30 submissions, including five confidential submissions. Submissions received are listed at appendix 1.
- 1.4 The committee held two public hearings for this inquiry, in Sydney on 14 June 2018 and in Canberra on 26 October 2018. Witnesses appearing at these public hearings are listed at appendix 2
- 1.5 Copies of all public submissions, Hansard transcripts of public hearings, and responses to questions on notice are available on the committee's webpage.<sup>3</sup>

## **Structure of this report**

- 1.6 This report consists of three chapters:
- This chapter provides a brief overview of the bill as well as the administrative details of the inquiry.
- Chapter 2 briefly examines a recommendation of the Productivity Commission regarding model litigant obligations, as highlighted by the Selection of Bills Committee, and related evidence.
- Chapter 3 discusses the key issues raised during the inquiry, and provides the committee's view and recommendations.

<sup>1</sup> *Journals of the Senate*, No. 79, 7 December 2017, pp. 2512–2514.

<sup>2</sup> Selection of Bills Committee, *Report No. 15 of 2017*, 7 December 2017, Appendix 1.

<sup>3</sup> See <a href="https://www.aph.gov.au/Parliamentary\_Business/Committees/Senate/Legal\_and\_Constitutional\_Affairs/JudiciaryAmendment">https://www.aph.gov.au/Parliamentary\_Business/Committees/Senate/Legal\_and\_Constitutional\_Affairs/JudiciaryAmendment</a>

#### Purpose of the bill

- 1.7 The bill is a private senator's bill. It was introduced into the Senate by Senator David Leyonhjelm on 15 November 2017.<sup>4</sup>
- 1.8 Senator Leyonhjelm stated that the purpose of the bill is to subject Commonwealth litigants to enforceable model litigant obligations.<sup>5</sup>
- 1.9 During his second reading speech, Senator Leyonhjelm explained that the bill 'would compel future Attorneys-General to maintain the practice of issuing binding obligations to act as a model litigant, and would make these obligations enforceable'. He added:

Firstly, the bill establishes a process by which the Commonwealth Ombudsman can investigate a complaint about a Commonwealth litigant failing to act in accordance with its obligations as a model litigant.

Secondly, the bill empowers a court to order a stay of proceedings while the Ombudsman considers a complaint. Thirdly, the bill provides that, if the court is satisfied that the Commonwealth litigant has contravened or is likely to contravene the model litigant obligations, the court may make any order it considers appropriate.<sup>6</sup>

## What is the model litigant obligation?

- 1.10 The content and application of model litigant obligations vary between the Commonwealth, states and territories. At the Commonwealth level, the model litigant obligation is found in subordinate legislation and also recognised in the common law.
- 1.11 The Attorney-General's Department provided a brief history of the model litigant obligation, in both subordinate legislation and the common law:

The obligation to act as a model litigant has been recognised as a common-law obligation upon the Commonwealth since 1912. As espoused in the well-known Melbourne Steamship High Court case, it requires the Commonwealth to conduct itself with a standard of fair play.

Until the early 1990s, the Attorney-General's Department was the sole provider of legal services for the Commonwealth, and this included the conduct of litigation. From 1 July 1995, competition for the provision of legal services was introduced by enabling private firms to be engaged directly by agencies. In anticipation of this change, the first iteration of the [Legal Services Directions] was issued by the Attorney-General's Department in 1994. These directions existed to ensure the continuation of a coordinated and consistent approach to Commonwealth legal work and included reference to the obligation to act as a model litigant. In 1999 the

<sup>4</sup> *Journals of the Senate*, No. 70, 15 November 2017, p. 2235.

<sup>5</sup> Senator David Leyonhjelm, *Senate Hansard*, 15 November 2017, p. 8546.

<sup>6</sup> Senator Leyonhjelm, *Senate Hansard*, 15 November 2017, p. 8547.

Productivity Commission, *Access to Justice Arrangements*, Inquiry Report No. 72, 5 September 2014, Volume 1, p. 430.

directions were first issued by an Attorney-General under the Judiciary Act and introduced the codified version of the model litigant obligation. The present Legal Services Directions of 2017 continue to require the Commonwealth to act as a model litigant in handling claims and litigation, and operate in addition to the common-law obligation. 8

#### The model litigant obligation in legal services directions

- 1.12 The Attorney-General is responsible for the maintenance of proper standards by the Commonwealth in litigation. Under section 55ZF of the Judiciary Act, the Attorney may issue directions that apply to Commonwealth legal work. These are the Legal Services Directions 2017 (the Directions).
- 1.13 The Directions cover a broad range of matters relating to Commonwealth legal work, including the model litigant obligation. The Directions are more than guidelines; they are legally binding to all Commonwealth agencies and departments, including with respect to the model litigant obligation. <sup>10</sup>
- 1.14 Paragraph 4.2 of the Directions states that Commonwealth entities are to handle claims and conduct litigation in accordance with the Commonwealth's obligation to act as a model litigant, noting that an entity is not to start legal proceedings unless it is satisfied that litigation is the most suitable method of dispute resolution. This obligation is set out in detail at Appendix B of the Directions.
- 1.15 The obligation requires Commonwealth litigants to act honestly and fairly in handling claims and litigation in a number of listed ways. This includes, for example, 'not taking advantage of a claimant who lacks the resources to litigate a legitimate claim', and 'not causing unnecessary delay in the handling of claims and litigation'. The obligation sets a high standard, as it:

...may require more than merely acting honestly and in accordance with the law and court rules. It also goes beyond the requirement for lawyers to act in accordance with their ethical obligations. <sup>14</sup>

1.16 However, the Directions also expressly state that the obligation 'does not prevent the Commonwealth and Commonwealth agencies from acting firmly and properly to protect their interests'. The Directions further state that the obligation:

<sup>8</sup> Mr Cameron Gifford, First Assistant Secretary, Attorney-General's Department, *Committee Hansard*, 14 June 2018, p. 34.

<sup>9</sup> Mr Gifford, Attorney-General's Department, *Committee Hansard*, 14 June 2018, p. 34.

<sup>10</sup> Mr Iain Anderson, Deputy Secretary, Attorney-General's Department, *Committee Hansard*, 26 October 2018, p. 28.

Legal Services Directions 2017, paragraph 4.2 and Appendix B; also see Attorney-General's Department, *Submission 10*, p. 4.

Legal Services Directions 2017, Appendix B, paragraph 2; also see Appendix B, Note 2.

Legal Services Directions 2017, Appendix B, subparagraphs 2(a) and 2(f).

Legal Services Directions 2017, Appendix B, Note 3.

Legal Services Directions 2017, Appendix B, Note 4.

- '...does not therefore preclude all legitimate steps being taken to pursue claims by the Commonwealth and Commonwealth agencies and testing or defending claims against them'; 16 and
- '...does not prevent the Commonwealth from enforcing costs orders or seeking to recover its costs'. 17
- 1.17 The obligation applies to litigation, including before courts, tribunals, inquiries, and in arbitration or other alternative dispute resolution processes.<sup>18</sup> It also applies to the full breadth of litigation in which the Commonwealth engages:

[T]he Commonwealth may find itself engaged in litigation against a self-represented litigant who may be challenged to comply with the court or tribunal processes. However, the Commonwealth also finds itself engaged with extremely well resourced litigants, such as litigants from the banking or finance sector, who may seek to take every technical point that they can construct. In both of these situations the Commonwealth is under the model litigant obligation... <sup>19</sup>

1.18 The obligation applies across a large volume of litigation, as the Commonwealth may be engaged in tens of thousands of actions at any one time.  $^{20}$ 

#### The model litigant obligation in the common law

1.19 In addition to the obligation in the Directions, the courts have recognised that Commonwealth litigants should act as model litigants.<sup>21</sup> In the case of *Melbourne Steamship Co Ltd v Moorehead* in 1912, Griffith CJ stated:

I am sometimes inclined to think that in some parts – not all – of the Commonwealth, the old-fashioned traditional, and almost instinctive, standard of fair play to be observed by the Crown in dealing with subjects, which I learned a very long time ago to regard as elementary, is either not known or thought out of date. I should be glad to think that I am mistaken.<sup>22</sup>

1.20 As the Law Council of Australia submitted, the common law duty is enforced by the courts, 'pursuant to their inherent powers to control the judicial processes of the court and to supervise and discipline legal practitioners as officers of the court'. <sup>23</sup>

Legal Services Directions 2017, Appendix B, Note 4.

<sup>17</sup> Legal Services Directions 2017, Appendix B, Note 5.

Legal Services Directions 2017, Appendix B, Note 1.

<sup>19</sup> Mr Gifford, Attorney-General's Department, Committee Hansard, 14 June 2018, p. 34.

<sup>20</sup> Mr Gifford, Attorney-General's Department, *Committee Hansard*, 14 June 2018, p. 34.

<sup>21</sup> Legal Services Directions 2017, Appendix B, Note 2.

<sup>22</sup> Melbourne Steamship Co Ltd v Moorehead (1912) 15 CLR 333; quoted in Attorney-General's Department, Submission 10, p. 4; also see, for example, Legal Services Directions 2017, Appendix B, Note 2; Legal Services Commission of South Australia, Submission 2, p. 1; Law Council of Australia, Submission 11, p. 7.

<sup>23</sup> Law Council of Australia, Submission 11, p. 7.

1.21 In general terms, it appears there is significant overlap between the obligation in the common law and the obligation in the Directions. 24 One submitter highlighted the Federal Court decision of *ASIC v Rich*, in which the court held that the model litigant obligation in the Directions can be referred to as an aid to understanding the content of the common law duty. 25 Another highlighted *Qantas Airway Ltd v Transport Workers Union of Australia*, in which the common law obligation was said to be 'broader and more fundamental' than the obligation in the Directions. 26

## Existing oversight of compliance with the model litigant obligation

## Oversight by the Attorney-General's Department

- 1.22 The Directions (including the obligation) are administered by the Office of Legal Services Coordination (OLSC), which is located within the Attorney-General's Department. The OLSC's oversight work includes:
- educating government agencies about the obligation, either on a targeted basis or broadly across the Commonwealth;
- coordinating platforms—such as the General Counsel Working Group and the Australian Government Legal Network—to support individual agencies to seek guidance on complex issues they may be facing, and
- working with agencies to address any systemic issues of non-compliance. 27
- 1.23 The OLSC oversees compliance with the obligation in line with its Compliance Framework.<sup>28</sup> The framework lists the various purposes of the OLSC's compliance activities, one of which is to:

...monitor compliance with the Directions and, in doing so, (i) obtain feedback on the operation of the Directions to identify any areas for development and/or clarification, and (ii) identify common or systemic issues affecting compliance.<sup>29</sup>

1.24 The OLSC receives notifications of alleged breaches of the obligation in a number of ways, including from a party in dispute with the Commonwealth or judicial criticism. In addition, Commonwealth entities are obliged to report as soon as

\_

Office of the Commonwealth Ombudsman (Commonwealth Ombudsman), *Submission 4*, p. 2; Law Council of Australia, *Submission 11*, p. 8.

<sup>25</sup> ASIC v Rich (2009) 236 FLR 1 referred in Commonwealth Ombudsman, Submission 4, p. 2.

<sup>26</sup> Qantas Airway Ltd v Transport Workers Union of Australia [2011] FCA 470 referred in Law Council of Australia, Submission 11, p. 8.

<sup>27</sup> Mr Gifford, Attorney-General's Department, *Committee Hansard*, 14 June 2018, pp. 35–36; Attorney-General's Department, *Submission 10*, p. 4.

Office of Legal Services Coordination, Attorney-General's Department, *Legal Services Directions* 2005 – *Compliance Framework*, <a href="https://www.ag.gov.au/LegalSystem/LegalServices">https://www.ag.gov.au/LegalSystem/LegalServices</a> Coordination/Documents/olsc-compliance-framework.pdf (accessed 6 July 2018).

Office of Legal Services Coordination, Attorney-General's Department, *Legal Services Directions* 2005 – *Compliance Framework*, p. 2.

practicable to the Attorney-General or the OLSC any possible or apparent breaches of the Directions by the entity, or allegations of breaches by the entity of which it is aware. Entities are also obliged to report any corrective steps that have been taken or are proposed to be taken by the entity.<sup>30</sup>

1.25 Notwithstanding these reports to the OLSC, the Directions state that compliance with the obligation is primarily the responsibility of the Commonwealth agency responsible for the litigation.<sup>31</sup> When the OLSC receives a notification about a breach or alleged breach, it reviews the notification in line with its Compliance Framework.<sup>32</sup> The framework states, in part:

Consistent with agency responsibility and accountability for achieving compliance with the Directions, agencies are expected to have arrangements in place to consider and appropriately respond to allegations of non-compliance, and to take necessary remedial action to ensure better practice in compliance with the Directions.

OLSC does not conduct reviews in relation to, or resolve, complaints from members of the public about agency compliance. Complaints received from members of the public are forwarded to the relevant agency for appropriate action.<sup>33</sup>

- 1.26 The Attorney-General's Department submitted that when a complaint is made to a department, that department will ensure resources are available to assess the complaint. This may include 'referring the complaint to senior staff or counsel from the private bar who have no other connection to the matter to consider the allegations in the complaint'. In cases where the OLSC considers that an agency may have misunderstood its obligations under the Directions, the OLSC will work with that agency. The staff of the private of the private of the private bar who have no other connection to the matter to consider the allegations in the complaint'. The private bar who have no other connection to the matter to consider the allegations in the complaint'.
- 1.27 If an individual is unhappy with how a department handled their complaint, the Attorney-General's Department noted that that individual may ask the Commonwealth Ombudsman to undertake an investigation.<sup>36</sup>
- 1.28 Moreover, the Attorney-General's Department told the committee that the remedies received by a person complaining to the OLSC about a breach would depend on the nature of the alleged breach:

If it's a question of not complying with the procedural orders of the court and we agree that the Commonwealth agency is not complying with the

<sup>30</sup> Legal Services Directions 2017, subparagraph 11.1(d).

<sup>31</sup> Legal Services Directions 2017, Appendix B, Note 1.

<sup>32</sup> Attorney-General's Department, Submission 10, p. 4.

Office of Legal Services Coordination, Attorney-General's Department, *Legal Services Directions* 2005 – *Compliance Framework*, p. 6.

<sup>34</sup> Attorney-General's Department, Submission 10, p. 5.

<sup>35</sup> Attorney-General's Department, Submission 10, p. 5.

<sup>36</sup> Attorney-General's Department, Submission 10, p. 5.

orders of the court, we would be taking steps to make sure the Commonwealth agency did comply with the orders of the court. And we'd be asking them why they hadn't. We wouldn't necessarily be imposing a further penalty, but we would be seeking to have them comply with the orders of the court. There are ways in which that can be done, if necessary. The attorney can issue directions, for example, as to the conduct of an agency in a piece of litigation. <sup>37</sup>

1.29 The Attorney-General is also able to impose sanctions for non-compliance with the Directions, including non-compliance with the obligation.<sup>38</sup>

## Oversight by the Commonwealth Ombudsman

- 1.30 The Commonwealth Ombudsman, among other things, assists people to resolve complaints about government administrative action.<sup>39</sup> The Ombudsman has jurisdiction over all Commonwealth entities and their contracted service providers, subject to some specific statutory exclusions (such as the intelligence agencies and Australian Taxation Office).<sup>40</sup>
- 1.31 The Ombudsman currently has the jurisdiction to consider complaints about perceived breaches by Commonwealth agencies of the Legal Services Directions, including the model litigant obligation. This jurisdiction exists under section 5 of the Ombudsman Act, as the Directions are an administrative instrument and adherence is a matter of administration falling within the functions of the Ombudsman's office.<sup>41</sup>
- 1.32 Further, the actions of private legal representatives acting on instructions from Commonwealth agencies are also, in effect, already within jurisdiction. As the Ombudsman's Office submitted:

My jurisdiction does not extend to considering the actions of private legal representatives as proposed in the Bill, however private legal representatives act on the instructions of the Commonwealth agency and adherence to the model litigation obligation applies to all litigation undertaken by an agency regardless of representation. Arguably, the proposed expansion of my functions to include private legal representatives is unnecessary, as private legal representatives act on instructions from Commonwealth agencies, who are already within jurisdiction. 42

<sup>37</sup> Mr Anderson, Attorney-General's Department, *Committee Hansard*, 26 October 2018, p. 32.

<sup>38</sup> Judiciary Act 1903, section 55ZG; Legal Services Directions 2017, paragraph 14.1; also see Ms Susan Whitaker, Principal Legal Officer, Attorney-General's Department, Committee Hansard, 14 June 2018, p. 42.

<sup>39</sup> Commonwealth Ombudsman, Submission 4, p. 1.

<sup>40</sup> Commonwealth Ombudsman, 'Annual report 2017-18', October 2018, p. 9, <a href="http://www.ombudsman.gov.au/">http://www.ombudsman.gov.au/</a> data/assets/pdf\_file/0031/89383/Commonwealth\_Ombudsman\_AnnualReport\_2017-18.pdf (accessed 29 November 2018).

Commonwealth Ombudsman, *Submission 4*, pp. 3–4; also see, for example, Department of Human Services, *Submission 1*, p. 4; Attorney-General's Department, *Submission 10*, p. 6.

<sup>42</sup> Commonwealth Ombudsman, Submission 4, p. 4.

- 1.33 In practice, the Ombudsman would typically not involve itself in matters that are before a court. 43 In addition, the Ombudsman would likely refer to the OLSC any matters solely concerning the model litigant obligation, and as the Ombudsman advised the committee, such referrals happen 'from time to time'. 44
- 1.34 It should also be noted that the Inspector-General of Taxation operates independently of the Commonwealth Ombudsman. The Inspector-General is responsible for the handling of all complaints regarding the administrative actions of the Tax Office and the Tax Practitioners Board. This can include complaints relating to the model litigant obligation. <sup>45</sup>

## Key provisions of the bill

- 1.35 The bill effectively sets out a particular approach that could be taken in cases where the model litigant obligation may have been breached. The bill relates directly to the obligation set out in the Legal Services Directions (as distinct from the common law obligation), and seeks to make it enforceable.
- 1.36 Schedule 1 of the bill would amend the *Judiciary Act 1903* (Judiciary Act). Schedule 2 would amend the *Ombudsman Act 1976* (Ombudsman Act). This section outlines the key provisions of the bill in general terms.

#### Amendments to the Judiciary Act

Requiring the Attorney-General to ensure there is a model litigant obligation

- 1.37 Currently, section 55ZF provides that the Attorney-General *may* issue directions regarding Commonwealth legal work. Proposed subsection 55ZF(2A) would *require* the Attorney-General to ensure that there are Legal Services Directions that contain a model litigant obligation. <sup>46</sup>
- 1.38 The bill would not require the obligation to apply to criminal prosecutions and related proceedings, which is consistent with the current approach.<sup>47</sup>

A court may stay proceedings if it is alleged that the obligation was breached

- 1.39 Proposed section 55ZGA states that a court may stay proceedings, or part of proceedings, for a period the court considers appropriate and subject to any conditions the court considers appropriate, if a party to the proceeding:
- has made a complaint to the Ombudsman that a Commonwealth litigant has contravened or is likely to contravene the model litigant obligations, and

<sup>43</sup> Mr Michael Manthorpe, Commonwealth Ombudsman, Office of the Commonwealth Ombudsman, *Committee Hansard*, 14 June 2018, p. 46.

<sup>44</sup> Mr Manthorpe, Commonwealth Ombudsman, Committee Hansard, 14 June 2018, p. 44.

Office of the Inspector-General of Taxation, Submission 26, p. 1.

Judiciary Amendment (Commonwealth Model Litigant Obligations) Bill 2017 (Model Litigant Obligations Bill), Schedule 1, Item 1, proposed subsection 55ZF(2A).

Explanatory Memorandum, Model Litigant Obligations Bill (Explanatory Memorandum), p. 3; also see Explanatory Statement, Legal Services Directions 2017, p. 1.

• has applied for a stay.

A court may make orders if it is satisfied that the obligation was breached

- 1.40 Proposed section 55ZGB states that a court may make any order it considers appropriate if:
- a party to the proceeding has made a complaint to the Ombudsman that a Commonwealth litigant has contravened or is likely to contravene the model litigant obligations in relation to that proceeding;
- the Ombudsman, or a person to whom the Ombudsman transferred the complaint, has either completed the investigation or advised of a decision not to investigate, or 60 days have passed since the complaint was made, and
- in a proceeding to which the complainant and the Commonwealth litigant are party (which may not be the proceeding in which the complaint arose), the court is satisfied, on the application of the complainant, that the Commonwealth litigant contravened or is likely to contravene the model litigant obligations as referred to in the complaint. 48
- 1.41 The Explanatory Memorandum (EM) provides examples of orders that a court may consider appropriate:
- orders to promote future compliance by the Commonwealth litigant with model litigant obligations, or
- orders to respond to what the court considers to be a past failure to act as a model litigant, such as through a costs order against the Commonwealth litigant. 49

Enabling enforcement of the obligation in accordance with the proposed court powers

- 1.42 Currently, under subsections 55ZG(2) and (3) of the Judiciary Act:
- '[c]ompliance with a Legal Services Direction is not enforceable except by, or upon the application of, the Attorney General', and
- '[t]he issue of non-compliance with a Legal Services Direction may not be raised in any proceeding (whether in a court, tribunal or other body) except by, or on behalf of, the Commonwealth.'
- 1.43 The bill would amend these provisions to enable the enforcement or raising of non-compliance in accordance with the proposed court powers (at proposed sections 55ZGA and 55ZGB).<sup>50</sup>
- 1.44 In addition, currently a person is not liable to an action or other proceeding, whether civil or criminal, for or in relation to an action done or omitted to be done in

<sup>48</sup> Explanatory Memorandum, p. 4.

<sup>49</sup> Explanatory Memorandum, pp. 4–5.

Model Litigant Obligations Bill, Schedule 1, Item 3; also see Explanatory Memorandum, p. 4.

compliance or 'in good faith in purported compliance' with a Legal Services Direction.<sup>51</sup>

1.45 The bill would reduce this protection by making it subject to the proposed court powers at proposed sections 55ZGA and 55ZGB.<sup>52</sup> The EM states that this is to ensure that the protection 'does not prevent the enforcement of model litigant obligations set out by this Bill'.<sup>53</sup>

#### Amendments to the Ombudsman Act

The Ombudsman may investigate complaints that allege breaches of the obligation

- 1.46 The relevant functions of the Ombudsman are set out in existing section 5 of the Ombudsman Act. The EM states that the bill would insert new subsections 5B(1) and 5B(2) to 'require the Ombudsman to investigate complaints that a Commonwealth litigant, or a person acting for a Commonwealth litigant, has contravened or is likely to contravene model litigant obligations'.<sup>54</sup>
- 1.47 These proposed subsections also contain provisions that seek to ensure that:
- the Ombudsman, rather than the Inspector-General of Taxation, will investigate complaints about breaches of the obligation even where they relate to tax administration action;<sup>55</sup> and
- the Ombudsman cannot decide not to investigate a complaint on the basis that it relates to a commercial activity of a department or prescribed authority. 56
- 1.48 Notwithstanding these proposed amendments, it is worth noting evidence from the Commonwealth Ombudsman (outlined above) indicating that the Ombudsman is already able to investigate alleged breaches of the obligation. <sup>57</sup>
- 1.49 It should also be noted that, despite these proposed amendments, it appears the Ombudsman would retain discretion not to investigate a complaint on various grounds.<sup>58</sup> While the bill would remove the ground relating to commercial activity, the Ombudsman may retain discretion to not investigate a complaint on other grounds listed in section 6 of the Ombudsman Act. These existing grounds include, for

54 Explanatory Memorandum, p. 6.

<sup>51</sup> Judiciary Act 1903, subsection 55ZI(2); separate provisions apply for the Attorney-General.

Model Litigant Obligations Bill, Schedule 1, Items 5 and 6.

<sup>53</sup> Explanatory Memorandum, p. 5.

Explanatory Memorandum, p. 7; also see proposed paragraph 5B(2)(d) of the Model Litigant Obligations Bill, as well as existing subsection 6D(1) of the *Ombudsman Act 1976*.

Explanatory Memorandum, p.7; also see proposed paragraph 5B(2)(c) of the Model Litigant Obligations Bill, as well as existing subsection 6(12) of the *Ombudsman Act 1976*.

<sup>57</sup> Commonwealth Ombudsman, *Submission 4*, pp. 3–4.

This is also implied by another provision in the bill, namely proposed subparagraph 55ZGB(1)(b)(ii) of the *Judiciary Act 1903*. This proposed subparagraph provides for a court to make orders in certain circumstances, one of which is where 'the Ombudsman informs the applicant of a decision not to investigate...'.

example, that the Ombudsman may decide not to investigate if it is of the opinion that investigation 'is not warranted having regard to all the circumstances'. <sup>59</sup>

The Ombudsman must report on complaints received and action taken

1.50 Proposed subsection 5B(3) requires the Ombudsman's annual report to include details of complaints it received regarding the obligation, as well as action taken by the Ombudsman, departments or prescribed authorities in relation to the complaints.

#### **Consideration by other Parliamentary committees**

1.51 The Parliamentary Joint Committee on Human Rights stated that the bill does not raise human rights concerns. 60 The Scrutiny of Bills Committee provided no comment on the bill. 61

#### Note on references

1.52 In this report, references to *Committee Hansard* are to proof transcripts. Page numbers may vary between proof and official transcripts.

#### Acknowledgements

1.53 The committee thanks all submitters and witnesses for the evidence they provided to this inquiry.

<sup>59</sup> See existing subparagraph 6(1)(b)(iii) of the *Ombudsman Act 1976*.

Parliamentary Joint Committee on Human Rights, *Human Rights Scrutiny Report 12 of 2017*, 28 November 2017, p. 96.

<sup>61</sup> Standing Committee for the Scrutiny of Bills, *Scrutiny Digest 14 of 2017*, 29 November 2017.