

Department of Finance

Response to Question on Notice

PARLIAMENTARY JOINT COMMITTEE ON CORPORATIONS AND FINANCIAL SERVICES

Inquiry into Oversight of ASIC, the Takeovers Panel and the Corporations Legislation No.1 of the 46th Parliament

Scheme for Compensation for Detriment caused by Defective Administration

Hearing of 16 November 2021

Question on Notice 2 (Proof Hansard page 4)

Senator PRATT: Can you give us some examples of when this has been used, by which agencies and under what circumstances?

Mr Sebar: The Department of Finance has policy responsibility for the CDDA scheme, but we do not. It's up to individual agencies and ministers to make decisions and manage their processes. We do not collate information on the scheme and we don't hold information about decisions that other agencies have taken. As a result, we are unable to provide you with anything specific.

Senator PRATT: Can you take on notice and make inquiries from other agencies about that, or do we need to ask those questions individually to each minister and each little or big government agency?

Mr HILL: Can I also ask you: are there reporting obligations in the annual report rule? I thought there used to be for act of grace payments.

Mr Sebar: We can certainly take the question on notice as to examples of CDDA claims in the past. We also need to take on notice whether there's any requirement to report CDDA claims.

Response

Section 2 of the *Resource Management Guide 409, Scheme for Compensation for Detriment caused by Defective Administration*¹ (RMG 409) provides that “the non-corporate Commonwealth entity which is the subject of a CDDA Scheme claim is the entity responsible for considering and make a decision on that claim.”

The Department of Finance does not collect data or examples of CDDA claims from other agencies.

There is no requirement that payments under the CDDA scheme be separately identified in an agency's annual report.

¹ <https://www.finance.gov.au/publications/resource-management-guides/scheme-compensation-detriment-caused-defective-administration-rmg-409>