

OMBUDSMAN SERVICES IN AUSTRALIA AND NEW ZEALAND

INDEPENDENT, IMPARTIAL, FREE

Ombudsman explained

An Ombudsman takes complaints from citizens or consumers about agencies or service providers.

The Ombudsman will investigate those complaints and reach a resolution that is fair to both sides.

The term Ombudsman commonly describes both the person who holds that position and the office they head up.

In Australia and New Zealand, there are several types of Ombudsman:

- **Parliamentary Ombudsmen** who investigate complaints about the administrative actions of government agencies made by citizens and constituents
- **Other Statutory Ombudsmen/Commissioners** who investigate complaints about particular agencies or professional services, such as health
- **Industry-based Ombudsmen** who investigate complaints from customers of companies providing particular services—such as telecommunications, banking, insurance, investments, energy, water and public transport

ANZOA membership is available to all of these Ombudsmen/Commissioners, provided certain criteria are met.

Origin of Ombudsman

The modern meaning of Ombudsman arose from its use in Sweden with the Parliamentary Ombudsman instituted in 1809, to safeguard the rights of citizens by establishing a supervisory agency independent of the executive branch. Its specific meaning has since been adopted into English, as well as other languages. The word is not gender-specific.

The origin of the word is found in Old Norse and the word *umbuds man*, meaning representative. The first preserved use in Swedish is from 1552. It is also used in the other Scandinavian languages such as the Icelandic *umboosmaour*, the Norwegian *ombudsman* and the Danish *ombudsmand*.

How an Ombudsman works

The Ombudsman's staff will investigate the complaint to reach a resolution that is fair and reasonable—in doing this, they don't take sides. If a resolution can't be reached, the Ombudsman has the power to make a final decision.

The Ombudsman's services are fair, free to citizens and consumers, and completely independent. You don't need a lawyer to make a complaint to an Ombudsman.

Generally, an Ombudsman also has a responsibility to help improve service and administration in the agencies or companies under the office's jurisdiction—especially where a complaint indicates there is a more general or systemic problem.

History of Ombudsman services in New Zealand

The first New Zealand Ombudsman was appointed in 1962 under the *Parliamentary Commissioner (Ombudsman) Act 1962*. New Zealand was the fourth country to establish the office of Ombudsman—after Sweden, Finland and Denmark.

The first Industry-based Ombudsman office in New Zealand was the Banking Ombudsman, set up in 1992.

History of Ombudsman services in Australia

The first State Parliamentary Ombudsman was set up in 1971 in Western Australia, followed by South Australia in 1972 and Victoria in 1973. The first Commonwealth Ombudsman was appointed in 1977.

The first Industry-based Ombudsman office in Australia was the Australian Banking Industry Ombudsman, set up in 1990—it is now the Financial Ombudsman Service.

More about Parliamentary Ombudsmen

A Parliamentary Ombudsman is appointed and funded by government to investigate complaints about the administrative actions of Government agencies. The Ombudsman also produces reports and makes recommendations aimed at improving public administration.

In Australia, there is a Parliamentary Ombudsman for each state and territory, as well as a Commonwealth Ombudsman. New Zealand has an Office of the Ombudsmen, which presently has two Ombudsmen.

More about Other Statutory Ombudsmen/Commissioners

Governments have also appointed other Ombudsmen or Commissioners with more specific mandates—for example, to consider complaints about professional services (such as health and legal) and specific agencies.

More about Industry-based Ombudsmen

Companies in a number of industries in Australia and New Zealand—such as telecommunications, financial services (banking, insurance, investments), energy, water and public transport—are required by legislation or operating licence to sign up to an independent external dispute resolution (EDR) service/scheme.

This service is headed up by an Ombudsman whose office is responsible for its day-to-day operation and for the receipt, investigation and resolution of complaints.

It also has a Board (or Council) made up of equal representatives of industry and consumers and an independent Chairperson. The Board has oversight responsibilities, for areas such as corporate governance, approval of budgets and strategic planning. Importantly, the Board is also responsible for ensuring the Ombudsman's independence. In most cases, the Board appoints the Ombudsman.

Government, or an independent regulator, may be involved by approving the service and ensuring that it complies with certain standards.

Sometimes a Parliamentary Ombudsman also has a role as an industry Ombudsman. For example, the Ombudsman Western Australia and Ombudsman Tasmania are also the energy Ombudsmen for their states.

An Industry-based Ombudsman typically charges each company using its service, according to the number and/or the complexity of complaints it receives about that company. There is no charge to customers who lodge complaints.

More at www.anzoa.com.au

**ANZOA is the peak body
for Ombudsmen in Australia and New Zealand**