

Joint Select Committee rejects Australia Card

The Australian Federal Government's blueprint for the Australia Card, a computerised national identification system, has been rejected by a Joint Select Committee of Parliament set up to investigate the proposal. Graham Greenleaf considers the Committee's report.

Elements of the Scheme

* The I.D. card: a universal and compulsory identification card. Whether the Card will contain a photo is not settled. Production of the card will be compulsory to obtain work, open a bank account, complete many financial transactions such as the sale of land, and to obtain any Government health, welfare, educational or other benefits.

* The UIN (universal identification number): a unique number allocated to each member of the population. The number will be the common key to the databases of all Federal agencies allowed to participate in the scheme, and will enable matching of Federal databases where authorised.

* The Register (Australia card register): a national, centralised, computerised register of identifying details of each member of the population, including that person's UIN.

The Register operator, the Health Insurance Commission, will carry out data surveillance operations to notify any participating agency when a person they are interested in changes address or other details. The register will also be used to locate maintenance defaulters and record causes of death to allow epidemiological research.

* The BD&M register: a national births, deaths and marriages register, located on the same computer as the Australia Card register.

* The network : a telecommunications network which allows national on-line access to the register to all participating Government agencies.

* The "companion entity system": an identification system for corporate and unincorporated entities. Such entities will not have a separate card or UIN, but will be "associated" in all their dealings with the UIN of one "relevant person" who will be responsible for their dealings.

* The Data Protection Agency (DPA): a new agency with the function of supervising the uses to which Government agencies put information obtained from the register.

Government ignores recommendations

After an intensive investigation which involved the consideration of hundreds of submissions and evidence taken over many weeks of sittings, the Committee's majority, which included members of Parliament from all political parties, delivered a report in May 1986 which concluded that it "rejects all proposals for the issuing of identity cards, with or without a photograph".

The Committee majority consisted of Senator Chris Puplick (Liberal), Senator Janine Haines (Democrat), Charles Blunt MHR (National), James Porter MHR (Liberal) and John Saunderson MHR (Labor).

In an addendum to the majority report, Senator Puplick commented that the overwhelming weight of informed opinion in Australia is against the scheme.

The Federal Minister for Health immediately announced the Government would ignore the majority's recommend-

ations, and press ahead with some version of its original scheme. He is reported to be presenting a joint submission to Cabinet to this effect with the Treasurer.

The Government's proposals received qualified support from a minority of the Committee consisting of three Labor representatives, Senator Terry Aulich (Chairman), Bob Brown MHR, and John Brumby MHR.

Assuming Cabinet decides to press on, the Government faces three hurdles: the Federal Labor Caucus; the A.L.P. National Conference in July, where widespread opposition to the scheme is expected; and the Senate, where the Opposition and the Democrats have a majority to block the scheme.

The Government proposals were detailed in two documents, the Government Submission grandly entitled "Toward Fairness and Equity" and the Health Insurance Commission's Planning research.

Why the Committee rejects the Card

Among the reasons advanced by the Joint Select Committee majority were the following:

* The Australia Card proposals "fail to address the major problems which were to be overcome by the introduction of the national ID scheme, namely: to combat tax evasion; to reduce welfare fraud; to identify illegal immigrants".

The Australian Taxation Office (ATO) estimates of tax losses which an Australia Card would recover are "qualitative assessments", and it is admitted it would have little effect on the "black economy" or criminal activities.

ATO's failures are attributed more to its failure to enforce existing laws or to

properly exploit computer technology.

DSS itself claims only 0.6% of welfare fraud is attributable to false identities, although it has no reliable figures.

The Department of Immigration and Ethnic Affairs admitted its figures were complete guesswork. The Department of Finance was anxious to disclaim any responsibility for the Government's estimates of savings.

* "...the creation of a new bureaucracy of 2,000 public servants within the HIC (Health Insurance Commission), with the sole task of identifying every man, woman and child in Australia, is a wasteful exercise which will not address the problem of tax evasion and social

STOP PRESS: The Labor Party, Cabinet, Caucus and National Conference have now all endorsed an ostensibly limited Australia Card scheme: for details, see the PRIVACY BULLETIN Vol 2 No 1 enclosed.

security fraud, but will provide the *mechanism by which the very fabric of our society will be irreversibly altered*, opening the way for the greatest attack on the privacy of individuals as the "Identity Bureau" identifies, monitors and updates information on every person in Australia." [emphasis added]

The Committee identified four crucial issues:

(a) "the card will become an internal passport": The Government's proposals will not seriously attempt to stop the spread of uses of the card beyond the 15 or so agencies that will use it and probably could not do so.

(b) "the dossier capability of the system": The proposed Register will contain not only identity details but information from which complete dossiers concerning a person could be constructed.

(c) the extent of access to the Register: Prohibiting other Government agencies from access would eventually become impossible.

Even unauthorised accesses to the

Register will not be prevented because it is not proposed to log all accesses to the system.

The proposed uses of the Register as a general purpose locator service, and as an aid to epidemiological research, are both rejected as raising serious privacy issues.

(d) "computer matching/data linkage": Computer matching, the basis of the proposed system, is "powerful, error prone, dangerous and dubiously legal mechanism"; it can be regarded as warrantless search and seizure, as effectively reversing the onus of proof, and as contrary to the fundamental privacy principle that information should be used only for the purpose for which it was collected.

* Senator Puplick argued the fundamental flaw proposals is that its proponents, and in particular the senior public servants responsible for its development, do not understand the legal basis of Australian society, the common law.

All common law countries have rejected universal ID cards.

A less intrusive alternative

The Joint Select Committee majority also proposed what they considered to be a realistic and cost-effective alternative method of attacking tax fraud within the current system, which will not endanger our privacy and civil liberties.

The alternative involves the extension and upgrading of the existing tax file number system by the following means:

* There is no need to issue every person in the country with a new number immediately.

Current tax file numbers of more than 5 years' standing are of sufficient integrity for tax purposes and can be confirmed by normal audit procedures over a number of years.

The bulk of the Australian population fall into this category.

* Those with current tax file numbers of under 5 years' standing, and those who do not have a tax file number, should be required to confirm or obtain their number from the Department of Social Security (DSS) as agents for the Australian Taxation Office (ATO), after a personal

interview and document checking procedure exactly as was proposed for the Australia Card.

A cross-check of the proposed national Births Deaths and Marriages Register would also be carried out. DSS is preferred as the issuing office because of its multiplicity of local offices.

* "That the use of the tax file number be extended to cover all the financial transactions proposed in the Government submission for use of the Australia Card number by the ATO, as well as for social security purposes."

The extension of compulsory reporting of transactions to ATO, probably the fundamental element of the Government proposal, can be adopted without need for an ID card.

* As well as ATO and DSS, the Department of Veteran's Affairs would also be entitled to use the number. All other Departments would be barred from access to and use of the tax file number.

Medicare should also continue to operate as a separate entity.

Other essential reforms

The whole Select Committee agreed the following further reforms were essential. They are a necessary part of the alternative scheme based on the tax file number.

* All state Births, Deaths and Marriages Registries should be computerised with Commonwealth assistance. The only Commonwealth Departments with access to these Registries should be ATO, DSS, Foreign Affairs (for passports) and HIC (concerning Medicare), and only for the purpose of verifying documentation submitted to the Commonwealth to obtain some benefit. Until this is established, DSS should not accept birth and marriage certificates as "sound" documents.

* An independent statutory body, the Data Protection Agency, should be established "to control the collection and use of personal data", as proposed in the Government's submission, and with initial jurisdiction over all Commonwealth computerised data banks. Privacy legislation based on the Australian law Reform Commission's Privacy Report should also be introduced.

* Uniform State and Commonwealth regulations aimed at fraudulent banking and financial transactions, as recommended by Costigan, should be introduced.

* Legislation allowing Commonwealth Departments and authorities to inform appropriate authorities about suspected fraud should be introduced.

* The administration of educational assistance schemes should be transferred from the Department of Education to the DSS, thereby bringing them within the tax file number system.

* DSS should progressively review proof of identity of all existing pension and unemployment benefit beneficiaries, to bring them within the system of con-

The author summarises the case for the use of tax file numbers on page 12.