

14 July 2021

Peter Alexander
Acting Chief Executive Officer
Digital Transformation Agency
PO Box 457
Canberra ACT 2601

Submitted via online portal.

Dear Mr Alexander,

Australia Post submission to the Digital Identity Legislation Position Paper

Australia Post appreciates the opportunity to provide feedback to the Digital Transformation Agency (DTA) on the Digital Identity Legislation Position Paper (the Paper), to help guide the development of the draft legislation to be named the *Trusted Digital Identity Bill* (the Bill).

The below submission provides information for consideration by the DTA regarding key aspects of the Paper, the proposed Bill, and builds on some of our commentary provided in prior consultation rounds from Australia Post's perspective as Australia's largest last-mile delivery operator and industry leader in digital identity.

Australia Post is overall supportive of the principles and positions outlined in the Paper and looks forward to further detail and consultation occurring once the draft legislation (and other legislative instruments, as relevant) is shared with stakeholders. The detail in the Paper strikes a good balance regarding oversight (through an Independent Oversight Authority) and governance (those items covered in legislation compared to those covered in disallowable instruments); and cements the principles of consumer choice, trust and interoperability.

Questions remain regarding the charging framework and mechanism – the viability of not of participation will be largely determined by the ability of commercial organisations to realise a return on the investment required to participate.

Australia Post's digital transformation strategy

Australia has faced considerable headwinds in recent years due to changes in consumer trends, natural disasters, and the COVID-19 pandemic, which have pushed businesses across the country to innovate and adapt their operations.

Australia Post has faced into this disruption to support our people, our partners and the communities that we serve. We have continued to invest in the people and the expertise that will further serve our communities and safeguard our business. From our new state-of-the-art Brisbane Parcel Facility at Redbank in Queensland, to the continued progress of our Digital ID™ offering, we continue to

transform our brand, creating products and experiences that customers can rely on, and further supporting the sustainability of our business.

The impacts of the global pandemic, including the reduction of face-to-face services, resulted in a dramatic change in consumer behaviours. As more people shopped online – some for the first time – we saw an increase in demand for information about the status of parcel deliveries. Traffic to our digital platforms was at a record high, leading to more than 10 million people now having a MyPost account. Recent data also highlights that user adoption of digital technologies has advanced five years, in approximately only eight weeks.

Our product and innovation strategy will continue to focus on the creation of products and services that our customers trust, with privacy and strong cyber security underpinning consumer confidence in the adoption of digital platforms. Trust is key in Australia Post's products and services, including our Digital ID™.

Below are key points of feedback and comments regarding certain aspects of the Paper which we believe is relevant to the DTA's development of the Bill. We further commit to continuing to work with the DTA by providing further feedback, both through formal consultation rounds, and directly through conversations with the DTA, throughout the development period of the Bill and surrounding frameworks. We have not provided feedback and comments on all aspects of the Paper.

Oversight Authority

Australia Post is pleased the intention is for the Oversight Authority to be an independent authority advised by expert Advisory Boards appointed by the relevant Minister. We also support the governance framework being bolstered by support from Privacy and Information Commissioners, who will support additional privacy safeguards in the Bill.

Australia Post recommends the Oversight Authority be made up by representatives from a diverse range of backgrounds including government, commercial and non-government entities.

Structure of the Legislation

The structure appears to strike the right balance of the Bill and the various elements, such as the General and TDIF rules as Disallowable instruments, and the more dynamic elements of the technical specification set as Notifiable instruments.

The structure of all regulatory artefacts (the Bill and any disallowable instruments) needs to be straightforward and easy to follow from one artefact to the next, to help keep administrative and compliance costs low for providers. Complexity in the structure and scope of regulations (leading to higher compliance costs) could lead to reduced involvement from third parties in the development and implementation of digital identities, which would reduce consumer choice.

We look forward to providing further feedback once the draft Bill and draft disallowable instruments are released for comment.

Scope of the Legislation

Australia Post supports the notion that the draft legislation will only apply to entities wishing to be a part of the Digital Identity system, and not prevent participants from performing roles in other systems or being accredited under other frameworks.

Prospective legislation needs to understand the practical application of its component parts and be simple and clear in the communication of its applicability to participants. Australia Post understands that complexity is likely to be increased where participants may engage in multiple digital identity frameworks as outlined in the Paper.

Given Australia Post is a current accredited provider under the Trusted Digital Identity Framework (TDIF), we ask for further clarity regarding Figure 4 and the date that we are entered on the participant register so as to include any existing digital identities in any transition to the new Digital Identity System and avoid any trust mark issues.

Principle of Interoperability

Australia Post views the principle of interoperability as a positive element to the intended legislation. Specifically, the emphasis on inclusivity with identity providers being expected to provide their services to any relying party, and choice with relying parties expected to provide their customers with a choice of identity providers.

The provision for exemptions in certain circumstances is a positive where legitimate reasons are a factor.

Governance of the Digital Identity System

Australia Post agrees with the position paper that the Oversight Authority must be independent under the Bill.

Review Rights

Australia Post agrees it is positive that review rights under any future legislation be governed through an external body such as the Administrative Appeals Tribunal (AAT).

Privacy and consumer safeguards

Over the past 24 months, Australia Post has gained an in-depth understanding of the ongoing administrative and compliance requirements and costs associated with obtaining and maintaining TDIF accreditation. Requirements such as those pertaining to an independent Privacy Impact Assessment (7.4.7) and the retention of seven years of metadata (7.4.8), along with all of the necessary safeguards required to hold the data, will have an ongoing cost implication for being a party to the ecosystem.

Liability and Redress Framework

Australia Post agrees that the below provisions on first review seem reasonable:

It is proposed under the Legislation that an Accredited Participant will not be liable for loss or damage suffered by a Participant using the system provided the Accredited Participant was

acting in good faith and in compliance with the legislative rules and requirements relating to the system.

If the Accredited Participant does not comply with the legislative rules and act in good faith, the Accredited Participant would be liable for loss and damage suffered by all Participants flowing from that non-compliance.

Administration of charges for the Digital Identity system

As previously stated, Australia Post has gained an in-depth understanding of the ongoing administrative and compliance requirements and costs associated with obtaining and maintaining TDIF accreditation since our Digital ID™ gained accreditation in 2019. Additionally, we have provided guidance on the activities required to be onboarded to the scheme. Requirements such as those pertaining to an independent Privacy Impact Assessment (7.4.7) and the retention of seven years of metadata (7.4.8) along with all of the necessary safeguards required to hold the data will have an ongoing cost implication for being a party to the ecosystem.

The very real costs that will be incurred by participants to be a party to the ecosystem will need to be recovered through the charging mechanism. The viability - or not - of participation will be largely determined by the ability of commercial organisations to realise a return on the investment required to participate.

As Australia Post made clear in previous submissions on the Digital Identity Framework, we would welcome further detailed information and briefings on the provision regarding the relevant Minister's ability to waive charges for charities or other bodies (Principle 1).

Australia Post supports the charging framework being set out in regulations or in disallowable instruments, to allow for flexibility and amendments to be made as required, rather than through the legislative change process of a Bill.

General feedback

Australia Post supports the ability of consumers to have access to services via non-digital means (such as in-person access through a physical footprint), where digital access is either unavailable or not suitable for the individual. Supporting the community through alternative channels to access services is important to meet the principle of accessibility to services.

Australia Post supports Governments and businesses across Australia by providing access to their services for their customers and the community through our Post Office network, servicing communities across the country.

Further information

We welcome the DTA's consideration of the information contained in this submission.

If you or your office have any questions or concerns, please do not hesitate to contact your primary contact at Australia Post, Joel Dawson, directly at joel.dawson@auspost.com.au or via mobile at 0433 988 301.

Yours sincerely,

Gary Starr

Executive General Manager – Business, Government & International
Australia Post