

## Digital ID Bills and Rules Consultation October 2023

### **The Tech Council supports the establishment of a national Digital ID system**

- A national digital ID system is critical to supporting productivity and innovation.
- This system will be nationally interoperable and will facilitate the further use of secure public and private electronic credentials which are crucial to capturing the productivity benefits of digital ID.

### **We support the five principles articulated by the Government for the Digital ID system: convenient, efficient, reusable, private and secure.**

- There are many aspects of the Bill and Rules that we see as supportive of the principles, however there are many areas for improvement
- These areas fall within three themes: trust, cybersecurity and adaptability

#### **A. Trust**

- To ensure Australia reaps the benefits of a successful rollout of the national digital ID system, Australians must have trust and confidence in the system, in particular in its governance, participants and underlying technologies
- Providing consumers with choice and ensuring fair competition is an essential component of building an environment conducive to trust
- To support choice and fair competition, private entities must be able to be allowed to participate fully (Recc 10), that accreditation processes are conducted efficiently (Recc 9) and greater clarity is provided on the phased rollout (Recc 11).
- Further, we recommend ensuring that participation by consumers is entirely voluntary (Recc 3) and inclusive by funding outreach and education for Australians (Recc 12).

#### **B. Cybersecurity**

- Given the constancy of cyber threats, strong cybersecurity will mean designing this system to be resilient with mechanisms for rapid recovery.
- There are several aspects of this legislation and rules which could be amended to support greater cybersecurity:
  - The conditions for suspending or revoking must provide the Digital ID regulator with the powers and scope to focus on unfit entities – rather than the significantly broader scope currently drafted (Recc 2)
  - Record keeping requirements must ensure that only fit entities retain records and account for changes in entities over time (Recc 4)
  - Requirements relating to reportable incidents should be aligned with the Government's existing requirements for similar entities (Recc 5)
  - Rules that relate to data localisation should be removed to support safe and secure data flows (Recc 6)

#### **C. Adaptability**

- While we cannot fully anticipate technological change across the life of this system, we can expect that change will occur.
- To this end, we recommend several areas in which this system can be better prepared for imminent change and robust to long term changes:

- Ensure the national digital ID system is designed to allow adoption of new technologies – even if a choice is made not to adopt them at a certain point in time (Recc 7)
- Explore the inclusion of organisational IDs in this system (Recc 8)

## **Summary of recommendations to consultation on Digital ID Bill and Rules**

### **Digital ID Legislation**

1. Amend the conditions under which accreditation or participating rights can be suspended or revoked to ensure the Digital ID regulator focuses on unfit entities
2. Ensure participation of consumers in the Digital ID system is entirely voluntary

### **Digital ID Rules**

3. Ensure that record keeping requirements support strong cyber security
4. Align the requirements relating to reportable incidents with the Government's existing requirements for similar entities
5. Encourage safe and secure data flows through entity accreditation, not localisation

### **Implementation**

6. Ensure the national digital ID system is robust to change
7. Prioritise digital credentials as part of the phased rollout of the national digital ID system
8. Explore the inclusion of organisational digital IDs in the national digital ID system
9. Ensure adequate resourcing for accreditation processes
10. Ensure that entities that meet the accreditation requirements are able to fully participate in the national digital ID system
11. Provide greater clarity on proposed timings of the phased rollout of the national digital ID system and ensure fair inclusion of private providers
12. Provide resourcing to support outreach and education for Australians