

ARA SUBMISSION

DIGITAL ID BILL 2023 AND THE DIGITAL ID (TRANSITIONAL AND CONSEQUENTIAL PROVISIONS) BILL 2023

JANUARY 2024

The Australian Retailers Association (ARA) welcomes the opportunity to provide comments on the Commonwealth government's *Digital ID Bill 2023* and the *Digital ID (Transitional and Consequential Provisions) Bill 2023*.

The ARA is the oldest, largest and most diverse national retail body, representing a \$420 billion sector that employs 1.4 million Australians – making retail the largest private sector employer in the country. As Australia's peak retail body, representing more than 120,000 retail shop fronts and online stores, the ARA informs, advocates, educates, protects and unifies our independent, national and international retail community.

We represent the full spectrum of Australian retail, from our largest national and international retailers to our small and medium sized members, who make up 95% of our membership. Our members operate in all states and across all categories - from food to fashion, hairdressing to hardware, and everything in between.

In principle the ARA supports these two Bills, recognising they will enable an economy-wide Digital ID system in Australia. As the retail sector continues to embrace digital technology to improve customer service and business continuity, the ARA believes that these legislative measures will be beneficial.

In particular, the inclusion of private entities in the Digital ID system will be instrumental in reducing the necessity for businesses to collect and retain personal customer data, providing our members the opportunity to enhance their customer service through faster transactions and interactions - both online and in-store - with better protection against fraud.

The ARA supports the strengthening of the voluntary Accreditation Scheme, which we believe will provide greater public trust when customers provide their data to businesses.

We recommend that government develop a way in which to assess private sector Digital ID service providers so consumers can make informed choices about what platforms are the most secure. Public trust in the scheme will be central to its success, so anything that promotes that trust and transparency is important.

We support the Bill's measures that will protect Australians' sensitive information, such as passports, birth certificates, drivers licences, Medicare cards and biometric information that may be used to verify identity, by:

- requiring express consent from consumers to create a Digital ID and before information about them can be collected, used or disclosed to a service they wish to access;
- requiring accredited providers to deactivate a person's Digital ID if they withdraw their express consent at any time; and
- prohibiting accredited entities from collecting particularly sensitive types of personal information, such as a person's political opinions or sexual orientation.

ARA further recommends the government conduct separate consultations on the application of Digital ID as a mechanism to verify the identity of prospective employees.

Thank you again for the opportunity to provide a submission on the proposed amendments to these two Bills. Any queries in relation to this submission can be directed to our policy team at policy@retail.org.au.