



Telstra submission in relation to CDR – Action initiation

**Economics Legislation Committee - Treasury Laws Amendment (Consumer Data Right)
Bill 2022 [Provisions]**

6 March 2023



We refer the Committee to Telstra's recent submission on extending the CDR to enable action initiation.¹ Telstra supports the CDR and welcomes it as a safe place for consumers to share data with businesses. However, we note some concerns regarding the way in which action initiation will work. While we recognise that the introduction of this Bill is simply to enable action initiation under the CDR, we are concerned that doing so at this time does not appropriately consider the significant concerns raised by relevant stakeholders, including industry participants during the October 2022 Treasury consultation.

Beyond the banking sector, CDR is relatively new to Australia and thus, many of the benefits are yet to materialise. At this stage, the telecommunications industry is yet to receive the final telecommunications rules. The broader policy environment under which action initiation will operate also remains unclear. For example, the Attorney General's Office has just released an extensive report designed to strengthen the privacy regime. While the associated action initiation legislation has considered the implications of privacy, the impact and intersection of these new aspects remain unknown at this stage. In addition, there are also significant reviews underway in relation to Cyber Security, Electronic Surveillance and most recently, data breaches concerning some high-profile companies, the implications of which may significantly impact the way in which businesses conduct themselves and use and store data. In turn, these reviews may influence the way in which the CDR is optimally designed and implemented by business. These concerns were expressed by several stakeholders in the recent Treasury consultation process. We consider these important issues need to be considered in greater detail before this legislation is enacted and request further clarity on how action initiation will be implemented across all sectors and don't support the need to progress this legislation to the telecommunications sector until the surrounding legislative and policy environment is more settled, and the benefits of CDR better understood and realised.

We look forward to working with Treasury on the continuing implementation of CDR in the telecommunications sector but urge caution on enabling the new legislation which could apply to all sectors when enacted until the CDR is more fully understood and embedded in the economy. In our view, given CDR in banking is much more progressed, we consider a more appropriate policy response at this time is to proceed with action initiation in banking only. Only once CDR is more fully embedded in other industries such as energy and telco should extending action initiation be considered.

¹ [Telstra - Submission in response to: Consumer Data Right - Exposure draft legislation to enable action initiation \(treasury.gov.au\)](https://www.treasury.gov.au/consultations/consumer-data-right)