



National Australia Bank

395 Bourke Street
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Senator Jess Walsh
Chair of Economics Legislation Committee
Parliament House
Canberra ACT 2600

By email to: economics.sen@aph.gov.au

Dear Chair,

National Australia Bank feedback on Digital ID Bill 2023

National Australia Bank Limited (**NAB**) appreciates the opportunity to make a submission to the Senate Economics Legislation Committee Inquiry into the Digital ID Bill 2023 (**the Bill**) and the Digital ID (Transitional and Consequential Provisions) Bill 2023.

As a member of the Australian Banking Association and a party to the ConnectID product offered by Australian Payments Plus, NAB has also contributed to their respective submissions.

Our feedback on the Bill remains consistent with our [feedback](#) provided during the Department of Finance's consultation on the Bill in October 2023.

Summary of key feedback

NAB sees the development of a fit-for-purpose Digital ID ecosystem as a critical to progressing Australia's digital economy.

As one of Australia's largest financial institutions, the protection of our customers and their data is front and centre. NAB sees a robust Digital ID ecosystem as a critical measure to reduce over-sharing of personal data in the economy, exposing individuals to a higher risk of scams and identity theft.

NAB strongly believes the best way for a functional and well-used Digital ID ecosystem to be developed is collaboratively between Government and the private sector.

Role of the private sector and timing

NAB considers that a Digital ID ecosystem which gives Australians the ability to choose from numerous Digital ID providers is essential for the sustainable development and growth of the ecosystem and its use cases. As such, NAB remains concerned regarding the intended approach with the private sector to not be able to participate fully in the Digital ID ecosystem until the fourth and final phase of the rollout.

With multiple private sector Digital ID offerings either in-market or preparing to enter in 2024, slowing the ability for the private sector to fully participate risks inhibiting innovation and uptake of Digital ID, and restricting community awareness to only a small number of use cases and government providers.

If Digital ID is to achieve widespread adoption in the community and provide the opportunity for States, territories and the private sector to collaborate and bring new services and solutions to market, NAB considers that private sector providers (where accredited and meeting security standards) should have access sooner to the same opportunities as government-issued identity sources.

Verifiable credentials

As expressed in the Department of Finance's consultation on the bill, NAB remains concerned regarding the definition and understanding of 'identity' in the context of the Bill, along with what constitutes sufficient identification for a particular transaction or purpose.

There are many scenarios where only particular attributes of an individual's identity may need to be verified by a relying party, rather than an individual needing to share their 'full' identity.

For instance, in certain use cases an individual may need to:

- only share that they were born at least 18 years ago.
- only share their local government area of residence, in order to prove their eligibility for a natural disaster support payment.

In these scenarios, the relying party (for example, a retailer or a government department) only needs to verify these single attributes or a small selection of attributes, rather than having visibility of a person's 'full' identity. This significantly reduces the amount of personal data that an individual needs to share.

NAB believes the Bill in its current form primarily considers scenarios where a 'full' identity is shared, rather than providing the framework for only sharing and verifying particular attributes, which would reduce the level of information an individual is required to share for a particular purpose. It is important that the Bill provides for both scenarios from the outset to future-proof against needing to implement a parallel system for sharing individual attributes in the future.

NAB has appreciated the progress made by Government in considering next steps for the Australian Digital ID system. Our view remains that the public and private sector need to develop the ecosystem faster and collaboratively to provide safety and security for Australians. NAB looks forward to continuing to work with Government to ensure Australians can benefit from the opportunities an innovative, safe and successful Digital ID ecosystem has to offer.

If you would like to discuss any aspect of this submission, please do not hesitate to contact Lachlan Stewart, Associate Director, Government Affairs & Public Policy via [REDACTED]

Yours sincerely,

Brad Carr

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National Australia Bank