



“PRIVATE AND CONFIDENTIAL”

SUBMISSION

**JOINT STANDING COMMITTEE ON ELECTORAL MATTERS
Department of House of Representatives
Parliament House
CANBERRA ACT 2600**

31st March 2005

Dear Senators

RE: INQUIRY INTO THE 2004 ELECTION AND OTHER RELATER MATTERS

- **ELECTORAL ROLL ACCESS**
- **CREDIT APPLICATIONS**
- **IDENTITY FRAUD**

BACKGROUND

Since the introduction of the Privacy Act in 1988 consent has been obtained from consumers to access their electoral roll records as a means of proving their identity.

Amendments to the Electoral Act in July, 2004 unwittingly blocked the ability to use the electoral roll for verification purposes. This severely restricts the verification ability of about 700,000 small to medium businesses.

Identity fraud and credit granting are daily issues on which businesses must make evaluated decisions instantaneously. Without the availability of public records for verification is it almost impossible to “know your customer”. Flexibility is needed in any legislation so that the normal course of business can be maintained.

With fraud already estimated at between \$3 and \$4 billion annually in Australia we request that government has a full and meaningful review of the current legislative changes.

As you are probably aware the issue of credit granting in Australia and the identity of credit related fraud is an issue currently, and very appropriately, gaining much media attention, affecting over 1,000,000 consumers.

Perceptive Communication Pty Limited
trading as FCS OnLine



SUBMISSION

We submit that legislation be amended so as to permit the use of the electoral roll (E/R) for the purpose of verification of a person's particulars where the person concerned has consented to verification, from time to time, of their personal particulars (permission based access only).

The above functions are commonly used in a credit application and, of course, when bank accounts are opened and credit cards (including store cards) issued.

The Act provides that ER information can only be used for a "permitted purpose" (s91B(2))

It also sets out what 'permitted purposes' are (S91A)

For those who have copies of the ER, other than MPs, political parties, etc. such purposes include "any other purpose that is prescribed" (s91A(2A)(c)). Therefore, additional purposes such as that above may be "prescribed", which would be done by regulation (s395). This has already been carried out with Regulation 11.

We suggest that Regulation 11 be varied along the following lines:

"Pursuant to s91A(2a)(c), the following is prescribed to be included in permitted purposes of s91A (2A):"

Permission based identity verification is a permitted purpose.

And it is hereby further prescribed for the purposes of s91B(3) that no such purpose is a commercial purpose.

This Company has recently been in contact with a representative number of Senators/Members of Parliament from the Labour Party and other cross benches, all of whom have indicated their endorsement of a variation to Regulation as outlined above.

CONCLUSION

The Senate has the ability to continue to allow business to receive Electoral Roll information, through a third party provider, in an efficient, regulated and audited manner without infringing the rights or privacy of any individual.

We urge the members of The Joint Standing Committee on Electoral Matters and The Senate to assist in the minimisation of Identity Fraud and Identity theft, which are ever increasing problems in the Australian community.

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Overview on FCS OnLine

FCS OnLine Provides verification services providing high-speed commercial access designed to verify and authenticate an individual's current and historical details. Our focus is on data verification and validating the information provided. Our systems are designed to streamline and enhance these processes. We do not use or store clients' information in any of our systems. We importantly do not allow any of our data to be used for any direct marketing activities.

This information is essential for:

- Fraud prevention
- Data verification
- Identity checks

We have approximately 1,000 clients that perform about 16 million searches p.a.

FCS OnLine is committed to protecting individuals' personal information and only collects, uses or discloses such information as permitted by the National Privacy Principles in the Privacy Amendment (Private Sector) Act of 2000.

FCS OnLine is a private company and the directors have over 20 years experience in the industry.

I look forward to your comments and if you require any additional information please do not hesitate to contact me.

Regards

Tony Fitzgibbon
Managing Director

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