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## **ID card could cost Australia \$15b: ACCI**

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A national identity card would cost the Australian economy up to \$15 billion and may do little to stop terrorists, the business community has warned.

The Australian Chamber of Commerce and Industry (ACCI) said the cost of the card would be largely borne by the business sector, over and above the estimated \$750 per person it would cost to introduce the system.

The government is divided over Prime Minister John Howard's decision to put a national ID card back on the agenda, 18 years after a Labor plan for a similar card was quashed.

The idea has been floated as one way of targeting terrorism.

But ACCI chief executive Peter Hendy said his organisation was opposed to the identity card on a range of grounds.

"We remain to be persuaded that it would address incidents of serious crime and terrorism and believe that the Australian government must be able to clearly show how much a measure would demonstrably improve Australia's security arrangements," he said.

"ACCI is particularly concerned given international assessments of the potential costs and compliance obligations associated with a national identification system especially as many of these costs may be borne by business."

Mr Hendy said overseas identity cards had cost up to \$750 per person - or up to \$15 billion in Australia - to develop and introduce.

There also were additional costs on businesses in flow-on effects.

ACCI believes even at \$7.5 billion, the cost of an identity card would out-weigh the cost of identification fraud.


Mr Hendy said apart from the costs, the business sector would have to be heavily involved in compiling and monitoring information.

"The business community is also concerned that it would become heavily involved in the identification card process in that businesses will be required to read, manage and store confidential information in areas such as employment verification, adding yet another level of red tape and regulatory complexity," he said.

"A robust cost-benefit analysis which quantifies the direct and indirect compliance costs that may be faced by business and the wider community should be conducted before any firm decision to introduce an Australia card is taken."

ACCI found in its research into an identity card that just four countries - Malaysia, Singapore, Hong Kong and Cyprus - had introduced identity cards in peace time.

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