

Investment & Financial Services Association Ltd

ACN 080 744 163

24 February 2006

Committee Secretary
Senate Finance and Public Administration Legislation Committee
Department of the Senate
Parliament House
Canberra ACT 2600

Dear Secretary *Alistair*

Inquiry into the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005

The Investment & Financial Services Association (IFSA) wishes to accept your invitation to provide a written submission on the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005 (the Bill).

IFSA represents the retail and wholesale superannuation, funds management and life insurance industries. IFSA has over 125 members who are responsible for investing over \$920 billion, on behalf of more than nine million Australians.

IFSA supports the amendments in the Bill that will allow access to the Roll and increase the Roll's integrity as an identity verification source.

Specifically, IFSA supports allowing access to the Electoral Roll by persons and organisations that verify, or contribute to the verification of the identity of persons for the purposes the *Financial Transaction Reports Act 1988* (the FTR Act) and provide that such use is not subject to the commercial use prohibition.

In addition, the amendments in the Bill that introduce a proof of identity requirement for people enrolling or updating their enrolment by requiring that they provide their driver's licence number on their enrolment application are also supported. This amendment will make reliance on the electoral role, for the purposes of identity verification, more secure and reliable.¹

Importantly, IFSA would like to draw the Committee's attention to the Exposure Draft Anti Money Laundering and Counter-Terrorism Financing Bill 2005 (AML/CTF Bill) which is proposed to replace the FTR Act.

¹ We also note that where an individual does not have a driver's licence, the Bill will allow the elector to show a prescribed identity document to a person who is in a prescribed class of electors and who can attest to the identity of the applicant. Furthermore, if an elector does not have a driver's licence or a prescribed identity document, the Bill allows for their enrolment application to be signed by two referees who are not related to the applicant, who have known the applicant for at least one month and who have provided their driver's licence number. These amendments are also supported.


The AML/CTF Bill has broader application than the FTR Act in terms of the type of entities that it will regulate. Therefore, it is vital that this Bill either reflects the scope of entities to be regulated under the AML/CTF Bill or that the Committee recommend that consequential amendments be made to the AML/CTF Bill at the time it is introduced into Parliament for debate to ensure these amendments flow through to the AML/CTF Bill.

IFSA would also like to raise the issue of access to additional information stored on the Roll. That is, IFSA believes that for the same reasons outlined above, access to the details of occupation and date of birth that appear on the Roll would also be highly beneficial.

In summary, a robust system of customer identification and verification is essential to ensuring that financial institutions can effectively manage the risks of fraud, money laundering and terrorist financing in addition to meeting their obligations under the FTR Act and the AML/CTF Bill going forward. Similarly, a robust FTR Act regime can provide the Australian community with greater confidence in the integrity of the Electoral Roll.

Therefore, allowing greater access to the electoral roll will assist by providing an additional robust identity verification source which will in turn contribute to the integrity of the Electoral Roll.

Yours sincerely



Richard Gilbert
Chief Executive Officer