

CONFIDENTIAL**CABINET DECISION**No. **4459**

Submission No.: 3816

Title: AUSTRALIA CARD - NATIONAL IDENTIFICATION SYSTEM

Cabinet agreed that a negotiating team of officials led by the Department of Law and including the Departments of the Chief Minister and Treasury be authorised to indicate that the Territory Government may be prepared to cooperate by giving access to Births, Deaths and Marriages (BDM) records subject to -

- (a) agreement by the Commonwealth to pay the total cost of computerisation of the Territory's BDM records, including computerisation already commenced and any liabilities under existing contracts, and the cost of consequential changes to computer facilities in Territory departments and authorities which are linked to the BDM computer system;
- (b) the Territory Government being satisfied with measures in the Commonwealth legislation to protect civil liberties and privacy;
- (c) limitation of the use of the Australia Card information and number to combating tax evasion, abuse of social welfare and other Commonwealth allowance and benefit programs, and to assist in identifying illegal immigrants;
- (d) information obtained from the Territory's BDM records not to be available to any third party (including other Government bodies) without the approval of the appropriate Territory authority (the Registrar of BDM);
- (e) no access by the Commonwealth to the Territory's adoption records; and
- (f) indemnity by the Commonwealth of the Territory Government and the Registrar personally against claims based on dissemination of information from BDM records.



A. G. MORRIS
Secretary to Cabinet.

28 January 1986

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THE NORTHERN TERRITORY OF AUSTRALIA

Copy No: 1

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FOR CABINET

SUBMISSION No: 3816

Title:	<u>AUSTRALIA CARD: NATIONAL IDENTIFICATION SYSTEM</u>
Minister	Hon. M. B. Perron, M.L.A. Attorney-General
Purpose:	To seek authorisation for a negotiating team of officials led by the Department of Law to indicate that the Territory Government may be prepared to cooperate with the proposed national identification system, subject to certain conditions.
Relation to existing policy:	
Timing/ legislative priority:	Urgent. Commonwealth officials will be coming to the Territory on 20/21 January and 13/14 February 1986 as part of a program of discussions and negotiations with Governments. They will be seeking an indication of the Territory's attitude to the proposals.
Announcement of decision, tabling, etc:	No announcement to be made until negotiations have been completed.
Action required before announcement:	Not applicable.
Staffing implications, numbers and costs, etc:	Nil
Total cost:	Any costs are to be borne by the Commonwealth.

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NORTHERN TERRITORY OF AUSTRALIA

G.P.O. BOX 4396
DARWIN NT 5794
TELEPHONE 89 6172

Acting SECRETARY
DEPARTMENT OF THE CHIEF MINISTER

14 JAN 1986

Director,
Executive and Policy Unit,
Department of Law,
G.P.O. Box 1722,
DARWIN NT 5794

AUSTRALIA CARD: NATIONAL IDENTIFICATION SYSTEM - DRAFT
CABINET SUBMISSION

Your memorandum 85/4/141 dated 6 January, 1986, refers.

I have no objections to the proposed meeting with
Commonwealth officials on 20/21 January.

I have no comment on the draft Cabinet Submission, which is
supported.

The Department of Chief Minister representative at the
meeting will be Tim McClelland (telephone no. 896118).


T.C. LOVEGROVE
ACTING SECRETARY

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Department/Authority DEPARTMENT OF HEALTH

COMMENT ON CABINET SUBMISSION No.

AUSTRALIA CARD : NATIONAL IDENTIFICATION SYSTEM

TITLE:
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COMMENTS:

The Department of Health has no objection to the recommendation proposed.

SIGNED:


SECRETARY FOR HEALTH

DESIGNATION:

DATE:

10/11/84

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Department/Authority **COMMUNITY DEVELOPMENT**

COMMENT ON CABINET SUBMISSION No.

TITLE: **AUSTRALIA CARD: NATIONAL IDENTIFICATION SYSTEM**

COMMENTS:

Submission supported

SIGNED:

Sharon Mulholland

DESIGNATION:

ACTING SECRETARY

DATE:

10/1/86

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Department/Authority PUBLIC SERVICE COMMISSIONER

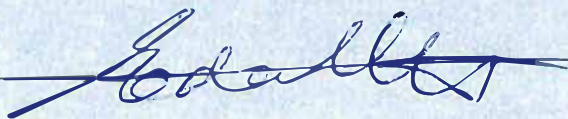
COMMENT ON CABINET SUBMISSION No.

TITLE: AUSTRALIA CARD: NATIONAL IDENTIFICATION SYSTEM

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COMMENTS:

This Office supports the draft Cabinet Submission.



SIGNED: EDA Y OTS
DESIGNATION: A/Public Service Commissioner
DATE: 9 January 1986

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Department/Authority.....NORTHERN TERRITORY TREASURY.....

COMMENT ON CABINET SUBMISSION No.

TITLE:AUSTRALIA CARD:.....NATIONAL IDENTIFICATION SYSTEM.....

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COMMENTS:

The Submission is supported. Northern Territory Treasury officers will form part of the negotiating team to meet with Commonwealth officials on 20/21 January 1986.



SIGNED: R C MADDEN

DESIGNATION: Under Treasurer

DATE: January 1986

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ISSUE

1. To consider whether the Territory Government should cooperate with the Commonwealth's proposal for a national identification system involving the issue to individuals of a card, to be known as the Australia Card, by making available to the Commonwealth, through the Health Insurance Commission, access for validation purposes to data held in the Registers of Births, Deaths and Marriages (BDM).

BACKGROUND

2. The Prime Minister on 9 October 1985 wrote to the Chief Minister and to the Premiers to advise that the Commonwealth had decided to implement the proposal and sought cooperation. The Chief Minister on 1 November 1985 responded that he was agreeable to discussions between officials on a without-commitment basis, and some discussions have taken place.

3. The Australia Card is to replace the Medicare Card, and is to be issued over a two-year period commencing in March 1987. The database will contain the name, address, sex, date of birth, date of death, Australia Card number, photograph (possibly) and signature of the person concerned. Access to BDM records is essential for the effective implementation of the proposal.

CONSIDERATION OF THE ISSUES

4. The Australia Card is expected to assist in combating tax evasion by -

- . aiding identification of participants in certain financial transactions (e.g. bank accounts, payments of interest, distributions by unit trusts, disbursement of rent

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- collected by estate agents) and persons lawfully entitled to undertake work in Australia (for tax linkage purposes);
- preventing employment under false names and false tax instalment declarations, and disclosing those with "second jobs";
- promoting greater compliance with the requirement to declare interest and dividend income by enabling cost effective matching with taxpayer records;
- enabling better audit tax selection of business tax papers, detection of non-lodgers and reducing the time per audit case; and
- the deterrent effect.

The additional tax revenues are estimated to be as follows:

1989-90	1990-91	1991-92	1992-93
\$105m	\$310m	\$455m	\$540m

The Card is also expected to reduce social security fraud by identification of people seeking income maintenance assistance, on-going identification after eligibility has been established, verifying the existence of claimed dependants, detection of undisclosed income, and deterring other fraudulent practices. The public interest would clearly be served by effective measures to safeguard Commonwealth revenues.

5. The proposals have been criticised on civil liberties grounds within the Australian Labor Party and by the Queensland Government, which has indicated that it will not be granting access to its BDM records. The Commonwealth, however, believes that there will be adequate provisions to protect civil liberties in the proposed Australia Card legislation, secrecy provisions in current legislation (e.g. Crimes Act, section 70;

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Health Insurance Act, section 130) and in the proposed Commonwealth privacy legislation. The Australia Card legislation will -

- . limit the uses of the Australia Card to combating tax evasion, reducing scope for abuse of the social welfare and Commonwealth benefits systems, and identification of illegal immigrants in jobs;
- . provide that the Register does not contain information other than that necessary for the above purposes;
- . prevent the unauthorised use of or demands for the Australia Card information or number;
- . enable access to the Register by individuals whose personal information is stored there, and arrangements to ensure the information is accurate and up to date; and
- . control access to the Register by other Government bodies.

6. I believe that the Territory should stress its concern that the above matters are in fact clearly spelled out in the legislation. Also, adoption records should continue to be protected, with access limited to appropriate officers of the BDM Registry to ensure that adoptees cannot get information as to their natural parents (e.g. under the Commonwealth's Freedom of Information Act). Further, the Territory Government and the Registrar personally should be indemnified against claims based on dissemination of information from BDM records.

7. The Commonwealth is prepared to pay for the entire cost of computerisation of BDM records and running and developing the system. The Territory, unlike the States, is already well advanced in the computerisation of its BDM records. Installation of a system developed by Datec is well under way, with

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\$110,000 already spent and a commitment to complete at an additional cost of \$200,000. It is not clear yet whether this system can be incorporated in the Australia Card system, but the Territory should seek a commitment that it would be reimbursed the cost of the computerisation already commenced and the further costs to be incurred.

8. The negotiations with the Commonwealth need to be handled with great care. We should indicate only qualified support at this stage, in order to be able to negotiate the best possible financial arrangements for computerising our BDM records and satisfactory safeguards in the legislation. I have therefore asked my Department to convene a meeting of interested Departments, prior to the visit by Commonwealth officials, to discuss the main issues of concern to the Territory, and to ensure that our representatives speak with one voice.

OPTIONS

9. The options are to -

- (a) refuse to cooperate;
- (b) give unqualified support; or
- (c) indicate that the Territory may be prepared to cooperate subject to certain conditions.

PUBLIC IMPACT OF THE RECOMMENDATIONS

10. The revelations about the scale of tax evasion (e.g. "bottom of the harbour" schemes) and social security fraud, and the need to reduce the Federal Government's budget deficit, could lead to public acceptance of the Australia Card proposal.

FINANCIAL CONSIDERATIONS

11. The Territory Government would not incur any expenditure and would be reimbursed the cost of computerisation of BDM

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records. Savings of Commonwealth revenues should flow through to the Territory and the States. There could be additional fees revenue, following the development of a link-up with all States, from the capacity to meet requests for certificates from people from other States.

EMPLOYMENT AND STAFF CONSIDERATIONS

12. If any additional staff were required, the cost would need to be met by the Commonwealth.

COMMONWEALTH AND STATE GOVERNMENT RELATIONS

13. The Commonwealth is anxious to receive cooperation. It is understood that New South Wales is very keen to cooperate, but the Queensland Government has refused.

CO-ORDINATION AND CONSULTATION

14. Treasury, the Public Service Commissioner's Office and the Departments of the Chief Minister and Community Development support the Submission. Health has no objection.

RECOMMENDATION

15. It is recommended that Cabinet agree that a negotiating team of officials led by the Department of Law and including the Departments of the Chief Minister and Treasury be authorised to indicate that the Territory Government may be prepared to cooperate by giving access to Births, Deaths and Marriages (BDM) records subject to -

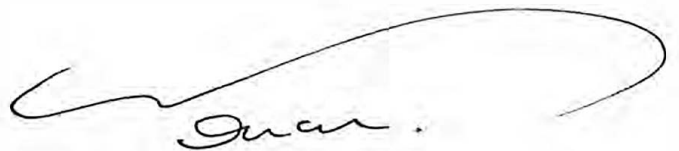
- (a) agreement by the Commonwealth to pay the total cost of computerisation of the Territory's BDM records, including computerisation already commenced and any liabilities under existing contracts;

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- (b) the Territory Government being satisfied with measures in the Commonwealth legislation to protect civil liberties and privacy;
- (c) limitation of the use of the Australia Card information and number to combating tax evasion and social welfare losses and fraud;
- (d) information obtained from the Territory's BDM records not to be available to any third party (including other Government bodies) without the approval of the appropriate Territory authority (the Registrar of BDM);
- (e) no access by the Commonwealth to the Territory's adoption records; and
- (f) indemnity by the Commonwealth of the Territory Government and the Registrar personally against claims based on dissemination of information from BDM records.

A handwritten signature in black ink, appearing to read "Marshall Perron", with a large, sweeping flourish above the name.

DATE:

MARSHALL PERRON

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