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A new 'Australia Card' : the costs outweigh the benefits

An open letter to Coalition MPs

Dear Liberal and National Members and Senators,

Any proposals to develop a national identity system must be examined carefully, in order to expose both the costs and benefits.

When you debate the idea of a national ID card within your parties, we urge you to consider the following arguments, for each of which there is an outline attached:

- ID cards are of doubtful effectiveness in tackling identity fraud, crime and terrorism
- ID cards would not prevent identification errors being made
- the cost of a national ID system would be staggering and wasteful
- there is widespread public opposition to ID cards
- a national ID card is significantly different to what we have now
- the impact on the Australian way of life would be profound

For more detailed references, analysis and resources, including collated media reports, editorials and letters to the editor, please see our website www.privacy.org.au and select the link to <The 'New Australia' Card>.

Yours sincerely,

Anna Johnston
Chair, Australian Privacy Foundation



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In brief : the arguments against a national identity card for Australians

1. ID cards are of doubtful effectiveness in tackling identity fraud, crime and terrorism

Identity fraud and identity theft can be used to support a wide range of illegal behaviour – from under-age drinking, through credit card fraud, to the adoption of false identities to assist in organised crimes including terrorism.

For a national ID card to have any of its claimed benefits, the card would have to be part of a massive and complex system featuring a centralised database – a national population register.

However a centralised database of personal information would likely make identity fraud and theft *worse*. This is because of a centralised system's vulnerability to hacking, manipulation and corruption.

A national ID card “could increase the risk of fraud because only one document would need to be counterfeited to establish identity”.

Philip Ruddock, June 2005

Experts at the recent Homeland Security Summit in Canberra identified a range of targeted activities which could be undertaken to prevent or lessen the effects of terrorism, including better resourcing of intelligence services, police training, and development of response plans.

We know of no expert advocating ID cards as a genuinely effective tool in fighting terrorism. Indeed many terrorists do not hide their identities. The UK Home Secretary Charles Clarke has admitted national ID cards would not have prevented the recent London bombings.

The National Identity Security Strategy, announced in May this year, recognises that our current system of multiple identity documents should be strengthened, not replaced.

2. ID cards would not prevent identification errors being made

A national ID card system would not be any more secure, free from corruption or immune from simple clerical errors than any other database. The use of biometrics could indeed prove disastrous, as the victim of identity theft or data corruption cannot just be issued with new fingerprints or DNA.

A national identification scheme was not needed to prevent the wrongful detention of Cornelia Rau. The Palmer Report proposed a national missing persons bureau. That proposal is worth considering, because it is specific, targeted and practical.

3. The cost of a national ID system would be staggering and wasteful

The UK Government's preliminary figures for their proposed national ID card suggested an implementation cost of £6 billion over ten years, with a charge per person of £93 (A\$220).

Since then, more comprehensive estimates from the London School of Economics suggest a figure of somewhere between £10.6 billion and £19.2 billion, averaging at around £230 (A\$550) per person. That's just for the direct implementation costs to government, not the cost to business of introducing compatible card readers. Meanwhile the cost of identity fraud on which an ID card might have a significant impact is estimated at only £35 million pa.

The cost of the UK ID card is thus likely to be at least thirty times *more* each year than the cost of the problems it might solve.

Canada recently abandoned its plan for a national ID card, preferring to spend taxpayers' money on more targeted anti-terrorism measures such as border security.

4. There is widespread public opposition to ID cards

Supporters of a national ID card should not take heart from recent polls suggesting 62% public support. That is an even lower figure of support than that which first favoured the doomed 'Australia Card' proposal when it was mooted in 1985.

A list of organisations and prominent individuals who have already publicised their concerns about any new proposal can be found on our website www.privacy.org.au by selecting the link to <The 'New Australia' Card>.

5. A national ID card is significantly different to what we have now

What is most significant and different about a national ID card is the development of a universal and unique personal identification number (UUPIN), something we don't currently have.

This makes a national ID card much more than just an extra card in our wallets. The UUPIN is the key through which both governments and businesses would index, link, track and profile our movements, transactions, and personal affairs, combining records in large scale and routine ways, not currently possible in the absence of a single, universal and unique number.

The potential for abuse of this indexing, linking, tracking and profiling capability – and indeed the specific memory of abuses during the Nazi, Vichy and Communist regimes - is why the development of UUPINs has been prohibited under the constitution of some countries, and under general privacy laws in others.

"One of the fundamental contrasts between free democratic societies and totalitarian systems is that the totalitarian government relies on secrecy for the regime but high surveillance and disclosure for all other groups, whereas in the civic culture of liberal democracy, the position is approximately the reverse."

Professor Geoffrey de Q. Walker, 1986

6. The impact on the Australian way of life would be profound

A national ID card would profoundly affect the everyday lives of Australians. The mass “dataveillance” system it represents would treat all Australians as suspects, instead of free citizens.

“the assumption of the Australia Card legislation is that every Australian is a cheat ... it involves establishing a level of intrusion of a draconian kind into the day to day activities of many people”

John Howard, 1987

Respecting privacy is about recognising that all of us have a space in our lives we prefer to keep private. That does not mean we have “something to hide”.

We don’t disclose to strangers our bank account numbers or PINs, because we want to protect our finances. We may choose to protect information about our health, sexual activities or religious beliefs, because we wish to avoid embarrassment or discrimination. Sometimes we just want to avoid unnecessary intrusion, harassment or solicitation.

A national identity card would cost Australians billions of dollars that could be better spent on real solutions to identity fraud and the crimes it supports.

But more importantly, a national identity card would also cost us the very way of life that we claim to be defending from terrorists – a life free from excessive government intrusion into our personal affairs.

Australian Privacy Foundation
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About the Australian Privacy Foundation

The Australian Privacy Foundation is the leading non-governmental organisation dedicated to protecting the privacy rights of Australians. The Foundation aims to focus public attention on emerging issues which pose a threat to the freedom and privacy of Australians.

Since 1987 the Australian Privacy Foundation has led the defence of the rights of individuals to control their personal information and to be free of excessive intrusions.

www.privacy.org.au