



Our reference:C10786:md

Mr Nigel Waters
Chair, Australian Privacy Foundation
GPO Box 1196
SYDNEY NSW 2001

IN CONFIDENCE

Dear Nigel

**DISCLOSURE OF FINANCIAL TRANSACTION DATA BY
AUSTRALIAN FINANCIAL INSTITUTIONS**

I refer to the Australian Privacy Foundation's (APF's) letter of 12 October 2006 concerning information disclosures by Australian financial institutions to the Society for Worldwide Interbank Financial Telecommunications (SWIFT). In this letter the APF reformulates its allegations to focus on the privacy compliance of Australian financial institutions using the SWIFT network.

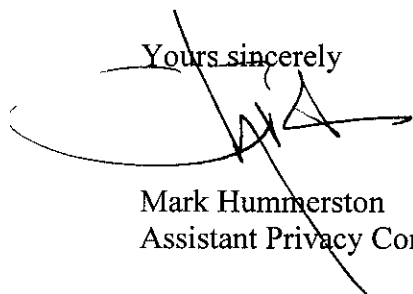
As you are aware the Office had previously considered the role of SWIFT and the outcome of our investigation confirmed that SWIFT's Australian operations were outside of the jurisdiction of the *Privacy Act 1988* (Cth) (the Act). Although this Office's investigation of SWIFT ceased, we are considering the role of financial institutions and how their interactions with SWIFT comply with the requirements of the National Privacy Principles (NPPs) in the Act.

We have treated these allegations as an 'own motion investigation' and the reference number for this matter is C10786. During the course of our enquiries we met with the Australian Banker's Association Inc (ABA) in December 2006. This meeting discussed the advice that its members provide individuals about the role of SWIFT in overseas money transfers and the overall application of NPPs in these circumstances. The ABA provided further information to this Office in February 2007.

Unfortunately, due to a number of staff movements in the intervening period this matter has not been progressed in as timely a manner as we would normally have liked and I apologise for that. Having said that, to progress this matter we have recently contacted the ABA again to seek additional information in the light of their earlier response and we hope to shortly be in a position to provide you with our view on this matter. We have not made any decisions under sections 38A, 42 or 41 of the Act.

If you would like to discuss this matter I am happy to do so. I may be contacted on 02 9284 9638.

Yours sincerely



Mark Hummerston
Assistant Privacy Commissioner

12 October 2007