



Australian Government
Digital Transformation Agency

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Ms Lyn Beverley
Committee Secretary
Senate Select Committee on Financial Technology and Regulatory Technology
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Ms Beverley

Thank you for the opportunity to make a submission to the Senate Select Committee on Financial Technology and Regulatory Technology to provide an overview of the Australian Government's Digital Identity Program, including what has been accomplished to date and the forward work plan.

The Digital Transformation Agency (DTA) assists the government to improve digital services to make them simple, clear and fast. One of the ways we do this is through delivering whole of government digital platforms, including the Digital Identity system (Digital Identity).

Digital Identity in Australia

The DTA is delivering a system which allows people and businesses to have a single secure way to verify their identity to use government services online. Creating a digital identity is similar to a 100-point identification check, but with the addition of biometric proofing, it removes the need to visit a government office and strengthens identity verification. It will allow more government services to move online and be available whenever and wherever people and businesses need to access them.

We are paying attention to global experiences in the design and delivery of the solution, ensuring we draw on lessons learnt across international programs. We are also engaging with and working collaborative across Australian state and territories to ensure that the digital identity program and solution meets a wide range of service delivery needs.

At the Commonwealth level, we have taken a multi-agency approach to harnessing the full capabilities of the Commonwealth, while also preventing duplicate investment across government.

The program is being delivered in partnership by:

- The DTA
- Services Australia
- the Australian Taxation Office (ATO)
- Department of Home Affairs (Home Affairs), and
- the Department of Foreign Affairs and Trade (DFAT).

We are testing the system through pilot programs with users. The linked video demonstrates what Digital Identity could look like: <https://youtu.be/M9dkkHI6mOA>

Digital Identity does not involve a unique identifier, nor does it allow tracking of online activities. Instead, it provides a means for a person to authenticate their identity online. The individual 'owns' their identity in this model rather than, for example, a unique number that is 'owned' by government. The Australian Digital Identity system is a voluntary one. While convenient, it is also only one of many different ways people can verify their identity when accessing government services. Furthermore, all identity providers in the Digital Identity system must meet the strict privacy and security requirements. These requirements are set out in the DTA's Trusted Digital Identity Framework (TDIF): <https://www.dta.gov.au/our-projects/digital-identity/trusted-digital-identity-framework>

Currently the Digital Identity system provides access to selected federal government services. To enable a convenient approach to verifying identity online across the whole economy, the system will evolve to allow access to private sector and state/territory government services. This additional functionality will be underpinned by strong legislative protections for users' data security and privacy.

What has been accomplished to date

Over the past five years the Program has built the foundational elements to support a secure and consistent national approach to digital identity. Since commencement, the Digital Identity program has:

- Delivered four iterations of the TDIF, which sets out the rules and requirements for all participants using the Digital Identity system.
 - We received more than 5,500 comments in our consultations on the TDIF from the financial sector, privacy advocates, digital identity

experts, industry groups, Australian government agencies, state and territory jurisdictions, standards bodies, vendors and members of the public. In addition, the DTA met with many organisations and working groups when revising the TDIF, including:

- Australian Information Industry Association
- Australian Communications Consumer Action Network
- Australian Payments Network
- The Digital Identity States and Territories working group
- In developing the TDIF, we also collaborated with counterparts in the United States, United Kingdom, Canada and New Zealand. We've exchanged ideas with Mexico, Japan, Israel, South Korea, Singapore and several European countries.
- Internationally we continue to work through interoperability between countries including New Zealand, Singapore and Canada.
- Accredited the government's identity service provider myGovID (<https://mygovid.gov.au/>) and released the app into the Apple App Store and the Google Play Store. As at 15 May 2020, the myGovID smartphone app had been downloaded 1.65 million times and 1.27 million myGovID digital identities had been created.
- Accredited the first commercial identity service provider—Australia Post's Digital iD—demonstrating the potential for broader whole of economy use within the Digital Identity system.
- Released and accredited the Relationship Authorisation Manager (RAM) for linking individuals to an Australian Business Number (ABN). In the future, this will be able to link an individual to their role as company director and other relationship types.
- Released, accredited and integrated the Exchange, which brokers identity interactions between services and identity service providers, and the RAM, enabling a whole of government individual-to-business authorisation capability. The Exchange has been designed and built with privacy at its core.
- Successfully connected and tested new software products that allow an individual to compare their selfie to the photo on their passport, proving that biometric digital identity is achievable.

- Connected the foundational elements of the system to support the following pilot services:
 - Tax File Number application
 - Unique Student Identifier
 - Grants Recipient Portal
 - ATO Business Portals.
- Piloted digital identity as a way to authenticate users of myGov. This will simplify access to myGov for users with a digital identity, allowing them to log in to the platform using their reusable digital identity.
- Established myGovID and RAM as a replacement business credential for AUSkey, deploying this to the 26 AUSkey agencies and their services across federal and state and territories governments. Participating online services include, but not limited to:
 - ACMA Lodgment Portal
 - Debt Agreements Online
 - ATO Business Portal
 - ATO Online Services for agents
 - Revenue SA online
 - Unique Student Identifier (USI)
 - NSW Department of Industry
 - PBS Approved Suppliers Portal
 - DSS Grants Portal, and
 - Tasmanian Revenue Online.

Future Work Planned

The program is set to complete the development of Digital Identity, connecting major government services and offering Digital Identity services to all Australian people and businesses.

The program will apply the following principles in delivering the solution:

1. Increase volumes by enabling people to choose Digital Identity. This will be achieved through onboarding a range of additional high-volume new services

and with an effective communication strategy to encourage participation. It will also work to enact legislation that will underpin private sector participation.

2. Be inclusive for all cohorts, including people with disabilities and vulnerable people. This will ensure that the solution is accessible to all individuals.
3. Establish long term governance and program management. This will ensure that trust and confidence can be maintained and that appropriate controls are in place.
4. Expand services as the product matures. This will build additional capability, prioritised by user needs.
5. Sustaining the product over the long term. This ensures support arrangements are in place to maintain increased adoption.

Supporting the digital economy

To address inefficiencies in the financial services sector and in response to market need, a group of private sector organisations, under the umbrella of the Australian Payments Council (APC), are developing a complementary open and contestable framework to the TDIF.

This framework, called the TrustID Framework, sets out various requirements to facilitate the emergence of an interoperable network of competing digital identity solutions in Australia. The framework is designed to allow individuals to establish a digital identity online with a preferred service provider, and then to use those credentials to verify who they are when interacting online with other business.

The TrustID framework complements the TDIF for the financial sector, in that it promotes choice of identity providers and may be a path to increase the take up of digital identity in the broader economy. It ensures online identity verification across the economy is designed to support long-term interoperability.

Interoperable Trust Frameworks

The APC and DTA intend to minimise duplicative effort for service providers wishing to participate in multiple frameworks and to achieve this, where practical, the frameworks will reference the same rules and open standards. Fundamentally, both frameworks are centred around addressing the fragmented experience of proving who you are to access or obtain a service and the ability to reuse it.

In the first instance the two frameworks are focused on servicing the needs of their immediate customers. Over time, it is envisaged that the focus on open standards and strong collaboration between the APC and the DTA will mean that an individual could have the option of using a single service provider to access both public and

private sector services. This could include accessing innovative digital products and services provided by the financial services sector.

As Australia's digital economy expands, digital identity will unlock more and more services and could become the preferred verification tool for users accessing government and private sector services alike. A strong digital identity system will open up new areas for digital commerce and help reduce online payments fraud. The most recent estimate by the Attorney-General's Department was that the total economic impact of identity crime was around \$2.6 billion in 2014-15, including around \$660 million lost by people who were targets of personal fraud¹. It will also assist in building trust within a wide range of online interactions. Building this trust is increasingly important as people spend more of their time and money online.

Thank you for the opportunity to provide a submission.

Yours sincerely

Randall Brugeaud
Chief Executive Officer
Digital Transformation Agency

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¹ Attorney-General's Department (2016), Identity crime and misuse in Australia 2016, p.59