Just Another Piece of Plastic for your Wallet:
The 'Australia Card' Scheme

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Abstract

During 1985-86 the Federal Government developed a proposal for a national identification scheme. Following increasing public concern about the scheme's implications, the Australia Card Bill was defeated in the Senate in November 1986. This paper outlines the proposal, and comments on its technical features, its economics, and its implications.

Background

During early 1985 the Federal Government embarked upon a campaign to address the problems of widespread tax evasion and tax avoidance. The Draft White Paper on Tax Reform which was released in the lead-up to the ill-fated Tax Summit in July 1985 mentioned, in a few words, the possibility of a 'national identification system'.

It appears that a tax lobbyist, Eric Risstrom, President of the Tax Payers' Association, had suggested the idea directly to the Prime Minister, Bob Hawke, in March. The idea struck a chord in the upper echelons of a public service beset with the problems of administering large-scale welfare, tax and social control programmes in a country whose law and customs traditionally provide considerable scope to the individual. It was publicly floated by a senior tax official shortly afterwards, and discussed by Caucus in April-May.

The proposal was passed from the Treasurer to the Minister for Health for further development, presumably because of the success with which the Health Insurance Commission (HIC) had introduced the Medicare scheme in 1983-4. Neal Blewett, in the Ministry but not yet in Cabinet, grasped the opportunity with vigour. With the aid of an advertising agency he dubbed it the 'Australia Card' scheme, decked it out in patriotic green and gold, and promoted it with a glossy brochure and mocked-up Cards for the press gallery.

At the Tax Summit, the invitees were concerned with economic rather than social issues, and reasonably enough regarded the ID scheme as peripheral to the main agenda. Since it was not subjected to any critical consideration, the Prime Minister was able to claim 'consensus' support for it.

The scheme was developed during the period May 1985 to October 1986. The Senate forced the matter to be referred to a Joint Select Committee of Federal Parliament which considered it in the period December 1985 to March 1986. Public comment to that Committee was severely constrained by the failure of the Government to publish its significantly changed and further developed proposals until after the closing data for public submissions. Despite this, a majority of the Committee, comprising members from all parties, concluded that the scheme should not be proceeded with. The Government ignored that conclusion.

During the early months of the campaign, public opinion polls showed significant support for the scheme. The questions were of the form 'The Government proposes to introduce an Australia Card to address the problems of tax evasion, welfare fraud and immigration. Are you in favour of such a card?' The fact that some 25-30% of the samples said no to this heavily biased question may reflect considerable cynicism in the community about government power.

By the beginning of 1986 the Australian Democrats, through their incoming leader Janine Haines, were committed to oppose the scheme. By late 1986 there was greater awareness in the community concerning the scheme, and a moderate level of concern. This made it possible for the Shadow Health Minister, James Porter, to convince the Liberal and National Parties (some of whose members had originally been attracted by the scheme) to oppose it. This they did, in the Senate in November-December 1986, with great vigour. The combined strength of the Democrats, Liberals and Nationals defeated the Bill.

This paper reports on the scheme as it was understood at the end of 1986. The major official documents are listed in the Bibliography. Those which are currently authoritative are the Bill itself, and the Health Department's 'Toward Fairness and Equity' and the Health Insurance Commission's Planning Report, both of February 1986.

The scheme comprises a number of inter-dependent elements which are identified in Exhibit 1. The Government has been
careful to project the proposal as the 'Australia Card' scheme, and has, largely successfully, played down the 'databanks and dossiers' aspects. It has even claimed that the register, the hub of the network, is not a centralised database.

**Exhibit 1: Elements of the 'Australia Card' Scheme**

- a central register containing data about each member of the entire population. This would be maintained by the Health Insurance Commission (HIC), which hitherto has been responsible for the Medicare and Medibank Private health insurance schemes;
- a unique identifying code for each member of the population, which would be assigned by the HIC;
- an obligatory, multi-purpose identification card for each member of the population, which would be issued by the HIC;
- obligations on individuals to produce the card when undertaking a wide variety of dealings with a wide variety of both government agencies and private sector organisations, including all employers and financial institutions, but also hospitals, real estate agents, produce agents, etc;
- obligations on organisations to demand the card, record the code, apply sanctions to people who fail to produce it, and report information using the code;
- use of the code by a wide variety of organisations. Despite promises to the contrary, it does not appear that private sector record-keepers are precluded from using the code as an internal identifier;
- use of the register or information from the register by:
  - the participating agencies:
    - the Tax Office;
    - the Department of Social Security; and
    - the HIC in respect of both Medicare and the national identification scheme;
  - other agencies:
    - the Immigration Department in specific circumstances; and
    - the Federal Police in specific circumstances.
- use of reports containing the code by the Tax Office;
- cross-notification of changes to identifying data, particularly address, between the HIC and the participating agencies.

**The Objectives**

Despite explicitly referring to the matter in May (HIC1, p.3, 2.2), the planning authority was in August 1985 still "not aware of any formal statement of objectives" (HIC2, p.57, D1.2). Even in its February 1986 submission to the Joint Select Committee the Government failed to make its objectives explicit.

The July 1985 advertising brochure included the objective of **rationalising all record-keeping about individuals by government agencies**. Both the Treasurer's Statement (September 1985) and the HIC's final planning report (HIC3, p.17) assumed that the scheme was general-purpose in nature.

In promoting the scheme, the Government has focussed on **tax evasion, welfare fraud and illegal immigration**. It claimed large savings from taxation and immigration, but reluctantly accepted a conservative estimate of zero savings from welfare fraud. It also accepted (if somewhat equivocally) that the scheme would have no impact on either organised crime or the 'black economy' of cash and barter.

However, there are good reasons for assuming that the concentration on these 'ideas in good standing' is merely tact or tactics. The Health Insurance Commission was refreshingly frank in its advice to the Government: "It will be important to **minimise any adverse public reaction to implementation of the system**. One possibility would be to use a staged approach for implementation, whereby only less sensitive data are held in the system initially, with the facility to input additional data at a later stage when public acceptance may be forthcoming more readily" (HIC1, p.4, 2.7. See also IDC2, pp.12-13, 314). The existence of further such quotations is one plausible explanation for the Government's refusal to release the report of the first IDC - the danger that publication of such subversive material poses to the public service's credibility and power is a major reason for its violent reaction against access under Freedom of Information legislation to working documents of all kinds.

During the development of the project, many representations were made for additional uses (in one day, Cabinet considered 37 of them). The proposal at one stage included 13 agencies before being contracted back to three major and two secondary participants.

**The Basis of Identification**

The HIC proposes a two-step process to recognise identities, and to assign them to individuals. It would first merge or compare data from over two dozen databases from nine government agencies against the Medicare register. Candidate **identities**, which appear on particular combinations of databases would have to be judged to be more or less likely to be valid...
identities which appear on particular combinations of databases would have to be judged to be more or less likely to be valid.

In the second step, individuals would be required to submit an application form. They would then be 'invited' to attend an interview. They may be associated with one (or more?) candidate identities on the basis of information they have supplied on their application form. They may also be required to present such documents as they can find, to demonstrate that they have used a particular identity consistently in at least recent years. They would then supply a sample signature and have a photograph taken for inclusion in digitised form on both the card and the register. They would be required to return at a later date to collect their nominally forge-proof card, which is to be prepared at a secure site in Canberra.

This procedure is to apply to everyone including bishops, swagmen and vagrants, captains of industry, itinerant workers, senior public servants, children, politicians and babies. There are to be special arrangements for the bed-ridden, the institutionalised and those in remote areas (presumably including aboriginals living traditional lifestyles).

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**Deficiencies in the Identification Mechanism**

A secure and reliable identification scheme would have to be based on some physiological characteristic which the individual could not alienate, and which was held on record by the organisation.

At present the only technically effective basis is fingerprints. Fingerprint identification techniques were developed for the express purpose of assisting in criminal investigation, and some qualsms would be felt by most people at applying such a technology to the entire population. This approach would also be very expensive. The HIC decided against fingerprints for the time being, but proposes to equip itself with image-capture, -storage and-display capabilities for photographs and signatures. It would therefore be well-prepared to move in the direction of fingerprints when the opportunity presented itself.

The scheme does not incorporate any such 'positive' or physiological identification, although the card and register would contain a small, grainy, black-and-white photograph. Since a person's appearance is variable, depending on the length, style and colour of facial hair, adornments particularly glasses, angle of view, lighting conditions, mood, et cetera, a photograph is an entirely inadequate basis. It would provide a low-integrity check, and might help prevent, or at least detect, a proportion of the more gross errors and frauds.

The merger of over twenty databases promises to be a technically challenging and exciting project. But because of such inaccuracies as out-of-date addresses, and variants and mis-spellings of the prime matching data (address, name and date of birth), millions more candidate identities would be generated than there are people in Australia. It is common knowledge that Medicare cards were issued in respect of 15.8 million at a time when the ABS-estimated population of Australia was 15.2 million. In that case, of course, the integrity shortfall was of no consequence: the political objective was to ensure the credibility of the 'bulk-billing' alternative, and the control mechanism was neither the card nor the register, but the doctor's invoice. However in only three years this once low-integrity database has been elevated (at least in the perception of its administrators) to a high-integrity register to be used as the hub of a nationwide identity verification scheme.

Judging whether candidate identities will be deemed valid or not will be a further challenge. The complexity of our society is far too great to permit the specification of a reliable set of a priori rules. The identity validity criteria will be at first arbitrary, later perhaps empirical.

However there are many people in Australia who have not developed a bureaucratically acceptable trail, who would be in limbo until officially recognised, and who would occupy valuable time both at HIC front-counters, and in the regional offices and central office where the difficult decisions would be made. There are many people who lack skills with the English language (no provision appears to have been made for interpreters), and in dealings with counter-clerks.

There are also criminal aliases with impeccable credentials. At the very least there are numbers of drug-runners who have had passports issued to them in multiple names. In order to achieve the critical target of a one-to-one relationship between cards and individuals were to be achieved, the criteria used would clearly have to be even narrower than the recently tightened rules of the Passports Office.

There is also the problem that no reliable documentary evidence of identity exists. Birth Certificates are issued to anyone who has a seemingly good reason - their purpose is to evidence the recorded details relating to the birth of some person, and certainly not to prove that a person is who he claims to be. All documents are derivative from seed documents such as this.

Of the present Australian population, 21% was born outside the country. For them the HIC may accept their Immigration records and/or foreign passports, in which case they will and must issue as many cards to any one individual as he can produce matching entries on the register. Until the last 'flag-of-convenience' in the world closes its doors, or a single worldwide identification scheme is operational, imported false identities will continue to be used.

The Bill also opens up another means of abuse, by allowing 'prescribed persons' (presumably much the same very long list as is applicable to passports) to issue 'certificates of identity' for transmission through the mail. Presumably some additional exceptions will need to be administratively allowed, to cater for relevant financial transactions undertaken using

exceptions will need to be administratively allowed, to cater for relevant financial transactions undertaken using telecommunications.

The concept of 'one-person-one-identity' which underlies the scheme is in any case dubious. It is a concept foreign to British and Australian law, because the use of an alias has never been in itself a crime. Many people 'hide behind' more than one name, variously for psychological, security and sometimes criminal reasons. Users of aliases include creative people like artists, authors and actors, and professional people, particularly females, but also staff at psychiatric and prison institutions, private detectives and intelligence operatives.

The designers of the scheme seem not to have appreciated the need to fit it into its cultural context. Judging by the following exchange between the Joint Select Committee and the HIC's Assistant General Manager for the Australia Card, it is possible that some of them do not even understand what 'cultural context' means:

Senator Puplick: ... Which countries did you visit which have legal systems based on common law principles? Mr Hazell: Could you explain what you mean by that? Senator Puplick: Which common law countries did you visit as distinct from civil law countries? Mr Hazell: I am afraid I do not understand what you mean.

The Mechanism and the Gains

Everyone would be required to present the card when seeking employment or government benefits, when opening new accounts with financial institutions, and in a variety of other circumstances associated with the receipt of income and transfer of funds.

Each organisation would report to central authorities (at this stage only the Tax Office) using the number. The Government has asserted that gains would arise in a variety of ways from this arrangement, but have offered little explanation of the mechanisms. When challenged by the Joint Select Committee, the Tax Office claimed that their estimates of gains were based on 'qualitative assessment'.

It is clear that interest income to individuals is currently well under-stated in tax returns, and that more tax should be collected. Of course, this could be achieved in large measure by far less extreme means than this scheme. Indeed, if the Tax Office had exercised the power and responsibility given to it in 1932, the high incidence of casual evasion would never have arisen.

The means whereby most of the other gains would arise are unclear, illusory or at worst just plain fraudulent. The Department of Social Security testified that most social welfare over-payment and fraud arises not from mis-identification but from misunderstanding and mis-statement of circumstances. The vast gains from illegal immigration ($1.3bn over 10 years) are based on the implicit and hilariously naive assumptions that all 60,000 illegal immigrants would be promptly and costlessly found and despatched (somewhere - anywhere), and that no more would arrive.

It was also pointed out by John Logan of the Centre for Independent Studies that such benefits as do actually result from the scheme would not be gains. They represent an opportunity either to reduce the government deficit, or to redistribute the taxation load from less honest taxpayers and social security recipients to more honest people. The maximum possible redistribution (based on the Government's own, very optimistic estimates) is $40 per person per year.

There would be a clear incentive for many more activities to move into the 'black economy' of cash and barter, further enlarging the gap between the official, documentary level of society and reality. There are also arguable cases that some marginal activities would cease altogether and some would migrate offshore. The Government has not addressed these fundamental questions.

The Financial Costs

The official estimates of government costs have varied widely during the course of the campaign. A variety of omissions and under-estimates remain, including the compliance costs of government agencies themselves. There are significant errors in calculating personnel requirements (the overheads of supervision, staff turnover and leave were omitted).

The cost and inconvenience to individuals in complying with requirements are totally ignored. Recent ABS statistics show that at the end of each year 15% of the population are at a different address within the same State, and a further 1.7% are at a new address interstate. After allowing for international movements, and multiple moves by the same family, the volatility of the 16 million addresses on the Register would appear to be above 20% per annum.

Costs to the private sector would be vast, since every company in the country would need to change complex and, in many cases, ancient payroll and creditors systems, and every investment system in the country's banks, building societies, credit unions, trusts, insurance companies, solicitors' offices and even real estate agents would have to be modified. Both during the issue phase and subsequently, many employees would need time off from work to attend interviews, collect cards, advise change of address and lost cards, and collect original and replacement cards. These costs were entirely omitted from the Government's considerations. It would be impossible to make a meaningful assessment of the scale of such costs.
Information Privacy Protections

In Australia there has been a history of neglect of privacy matters. Over ten years have elapsed since the Whitlam Government instigated a study, and, in keeping with its tradition of undertaking the minimum possible law reform at the latest possible time, Australia still lacks data protection laws, and lags behind the rest of the advanced Western world.

In tandem with the national identification scheme, the Government finally introduced its long-delayed data protection regime. It comprises a new agency, and a privacy law, heavily worked over by the Federal bureaucracy, embodying 'principles' of data protection which are qualified almost out of existence.

The Government's degree of interest in the Privacy Bill was made abundantly clear firstly when it was introduced a day later than the Australia Card Bill, and secondly when debate in the House of Representatives was gagged after a mere 70 minutes. Its attitude might be summed up by a statement by Health Minister Neal Blewett which was much used in the parliamentary debates. During a party conference in 1986, this ex-President of the South Australian Council for Civil Liberties said that:

"... we shouldn't get too hung up as socialists on privacy because privacy, in many ways, is a bourgeois right that is very much associated with the right to private property."

A variety of individuals and organisations, including the peak legal professional body, the Law Council, and the Australian Computer Society, have submitted to the Government that the sequence in which it is proceeding is inappropriate. They argue that consideration should not be given to a national identification scheme until after a data protection regime has been both enacted and established.

The specific controls proposed for the 'Australia Card' scheme are very weak. The Data Protection Agency created by the legislation would come into existence over two years after planning of the scheme commenced, and could only influence activities within the predetermined framework. It could give directions to the HIC, but not to the participating agencies, other government departments and instrumentalities, or the private sector. It would be bound by a great deal of 'red tape', and its energy would be sapped by an entirely unnecessary responsibility to maintain a register of databases.

It would be very easy for the Government to strangle the Data Protection Agency. For example it could choose a President prepared to use his wide prerogatives in a conservative manner, or it could starve it of funds. The Data Protection Advisory Committee has no power whatsoever, and there is no broad community representation despite the Minister's repeated promises.

Broader Social Implications

The scheme is based on large-scale computer matching, and is designed to facilitate, indeed automate, such activities in the future. Matching schemes bring together vast amounts of data about each individual, which was collected by different organisations for quite different purposes and with attention to data quality appropriate to those particular circumstances. The scope for misinterpretation of merged data is enormous.

Ensuring security for the register would be impossibly difficult. As in other, similar countries, there is at present no single, reliable source of names and addresses in Australia. 6% of telephone subscribers pay to keep their addresses and telephone numbers out of the telephone directory. The register would therefore be of interest to many people, variously for good reasons (such as debt collectors are presumed to have), for ambiguous ones (estranged spouses, jilted ex-boyfriends and over-protective fathers and brothers), and for downright sinister reasons (criminals pursuing ex-associates). Every record would be accessible on over two thousand terminals operated by thousands of clerks in the offices of at least three different government agencies, at over four hundred locations throughout the country.

The HIC would be permitted to collect data from a wide variety of sources, including the individual and at least ten government agencies. The Bill would override all existing privacy protection clauses in a dozen Acts of Parliament.

There appears to be no limitation on how long data would be retained by the HIC. Since the Register would contain information on family linkages, it would have potential use well beyond a person's lifetime. The Register is also deemed for such purposes to contain all of the information gathered by the HIC during its establishment phase, from the over twenty databases from nine government agencies. There are no limitations on the retention of this information either.

The Government withdrew from its early positions of 'voluntary' and then 'pseudo-voluntary' use of the card. It would be obligatory for everyone to acquire, to retain and to use a card, and there would be very significant sanctions against a person who failed to do so. Because of the wide variety of circumstances in which the card would be required, and because of the unpredictability of some of them, it would be advisable to carry the card at all times. For most people, it would be difficult to
discriminate between organisations authorised to demand the card and those precluded from demanding it. It would also be difficult to resist 'requests' from persons in authority (like policemen) or in a strong bargaining position (like financiers).

There are only loose controls over the acquisition of cards by third parties on behalf of the aged, infirm, bedridden, physically and mentally handicapped and those in institutions. Individuals would have limited rights under the scheme.

Although the matter is beyond the scope of this paper, it is the author's contention that the proposal quite expressly establishes the basis for widespread data surveillance in Australia.

A World First

The Government's claims that similar schemes operate overseas are based on ignorance. Only the Swedish and Danish schemes come remotely close, and the new West German scheme (developed in a context of real and continuing external threat, and occasional extremist terrorism) is far less pervasive. The French, Italian and even the Swiss schemes are far less centralised, and are restricted to fewer uses. The Communist bloc has largely manual systems.

Neither the United Kingdom and New Zealand has or has contemplated such a system, and, at least in respect of its white population, neither has South Africa. The U.S. and Canadian Social Security numbering schemes are low-integrity systems designed for a single purpose, but now used with largely spurious success for a variety of additional public and private sector purposes. Successive Committees established to consider whether the U.S. Social Security Number and Card scheme should be improved or replaced have recommended against such a project on the grounds of impracticality and excessive infringement of human rights.

Conclusions

My conclusions about the Government's proposal are straightforward:

- it would not work, because it relies on an inadequate basis for identification;
- partly as a result of that deficiency, it would not result in particularly high levels of savings;
- it would cost a huge amount more than the Government estimates, in additional bureaucracy, and in private sector compliance costs;
- it would be highly inconvenient to the public, because of the new obligations it would create, and the errors, misunderstandings and unjustified suspicions which would result;
- it would dramatically change the relationship between individuals and the State, and provide the basis for mass surveillance.

The rejection of the scheme does not deny the Government the ability to address tax evasion, welfare fraud and illegal immigration. Tax administration is in a poor state due to years of neglect of hardware and applications software, and years of increased legislative complication without rationalisation. Welfare fraud is currently being addressed by a major project within the Department of Social Security. Illegal immigration requires other approaches such as accelerated appeals, changes to the laws of evidence, and more enforcement and prosecution staff.

Prospects

Many elements of the scheme can be implemented without legislative approval, and several agencies are proceeding apace, particularly the Health Insurance Commission. In addition, it is common for the Federal Government to proceed with arrangements in advance of the approval of Parliament, and unusual for the Opposition or anyone else to prosecute for such unauthorised activities. The scheme may therefore be presented shortly as something approaching a fait accompli which would be nearly as expensive to cancel as to continue with.

At the end of 1986, the Government was committed to re-introduce the Australia Card Bill. The three opposition parties have expressly decided to oppose it, and they control the Senate. Government Ministers threatened in late 1986 that a second rejection would provide the grounds for a double-dissolution. Within days this was contradicted by the Prime Minister, who confirmed that the Government would see out its full term through until early 1988.

Interpretation

The public service has the responsibility of implementing ever more government programmes which offer ever more opportunity for fraud. These programmes demand ever more funding, increasing the rates of taxation, and making tax evasion ever more prevalent.

If agencies were merely to tighten their existing identification procedures, continuing problems would highlight the many other (in some cases unavoidable) deficiencies in their systems. An entirely new identification scheme run by an independent agency would enable initiatives without having to work through the existing bureaucratic structures. From this point of view, the inevitable success with which it would
would enable existing agencies to ease themselves out of the firing line, by deflecting the inevitable future criticisms toward the
agency administering the scheme. The service therefore has a clear self-interest in promoting the proposal.

The Government, for its part, is attracted by a bold project which it believes will cut through some of the difficulties
surrounding it. Its refusal to recognise the scheme's technical inadequacies, and the naively and in part fraudulently optimistic
economics are, regrettably but realistically, the normal behaviour of a Government and its agencies after it has committed itself
to a course of action.

Rather than assessing the idea on its merits, the scheme's proponents have presumed that information technology is capable of
delivering a 'knock-out punch' against the nominated evils. The Government is 'throwing technology' at complex social
problems, whose solutions demand a more painstaking approach.

Caveat

This article presents a very brief overview of the scheme and its consequences. It is not possible in such limited space to
accurately document the current proposal, its origins and motivations, the many changes which it has undergone, the
investigations on which the author's views are based, or the argument supporting the contentions.

Just Another Piece of Plastic for your Wallet:
The 'Australia Card' Scheme
ADDENDUM

Roger Clarke
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On 2 April 1987, the Australia Card Bill was rejected by the Senate for the second time. The history of the proposal to that
point is documented in Clarke (1987, pp.29-31). The Prime Minister had given an undertaking on the morning of April 1 not
to exercise the option of a double-dissolution.

As speculated on pp.42-43 of the earlier paper, the Prime Minister withdrew that undertaking in late May, in order to call an
election for all seats in both Houses in July 1987, rather than the election of the House of Representatives and half of the
Senate which would have been due in any case during the period September 1987 to March 1988. The Labor Government's
motivation was that both the conservative opposition parties were facing leadership crises. The uncertainty within the
Opposition was deemed by the Government to be a threat to good government and to therefore now justify the exercising of
the option.

Although it was the ostensible reason for the election, the Prime Minister's policy speech devoted less than two lines to the
Australia Card, and during the entire campaign the major parties barely mentioned it. The campaign was fought largely on the
issue of the alternative Governments' records in economic management, and on 11 July 1987 the Labor Government was
returned with little change to the majorities in either House.

The Constitution provides that, following such a double-dissolution, if the unchanged Bill were rejected a third time by the
Senate, then a joint sitting of the two Houses could be called. The net majority which the Government enjoyed in the two
Houses, together with Labor's very tight rules on block-voting (which prescribe expulsion from the Party in the event of a
breach, and are very rarely ignored), made it very likely that, in such a joint sitting, the Bill would be passed.

On 27 July 1987, the Government announced that the Bill would be one of the Government's first priorities, and would be
reintroduced in September, when Parliament resumed. On 29 July, responsibility for the scheme was passed from Health
Minister Neal Blewett to Senator Susan Ryan, who had not been assigned a portfolio in the new Government, but had been
retained in the Ministry.

By mid-August, the Government had undertaken a substantial administrative reorganisation to accompany the new Cabinet
structure. A Departmental Head displaced during that reorganisation was nominated as the future President of the proposed
watchdog body, the Data Protection Agency, apparently for no better reason than that there was no other position available
for him. Meanwhile the Minister for Veterans' Affairs announced that he would seek extension of the scheme beyond the
original three (or four) purposes of tax, social security and health insurance (and, with qualifications, immigration), to include
the administration of repatriation benefits.

A variety of organisations had been established to protest against the Australia Card proposal, but to this point few had had
significant impact. The various State Councils for Civil Liberties, particularly in the two major States, had lobbied with
considerable energy and some effect, but during the election campaign they had been somewhat hamstrung, because of the
declared interest of a significant proportion of their membership in assisting in the Labor Party's re-election.

During the weeks following the election, a lobby organisation of a different kind was formed. The membership of the
During the weeks following the election, a lobby organisation of a different kind was formed. The membership of the Australian Privacy Foundation was broad, in terms of occupations, social attitudes and party affiliations. It contained a large proportion of people who had public relations and media experience, it included people with high community standing including judges, Royal Commissioners and retired sportsmen, and it included not a few people who were household names in individual capital cities, throughout States, and in several cases throughout the country.

On 31 August, following fund-raising and lead-up publicity, the Foundation launched its anti-Card campaign in the ballroom of a major international hotel in inner Sydney. The professionalism of the launch, together with its high-profile membership, succeeded in establishing the movement's credibility. With the responsible Minister losing the media battle, the Prime Minister became personally closely associated with the scheme. However his attempts to brand the Foundation as "a funny collection of people" were treated by most media commentators as being as equally unconvincing as his oft-repeated claims to have an election mandate to proceed with the scheme.

Following the wide coverage for the launch, the many members of the media who had long been concerned about the scheme provided sufficient ongoing exposure to 'keep the ball rolling'. By mid-September, the Letters to the Editor columns were overflowing. The Sydney Morning Herald published the ratio as being 9-1 against the scheme. The Australian stated that it received 526 letters between 3 and 15 September, 475 against, 25 for and 26 unspecified - "There has never been a debate like it on the letters page; there has never been such a cry of opposition from the nation over one topic". The Parliament House Bills and Papers Office was unable to keep up with demand for copies of the 130-page Bill.

The opinion polls recorded a turnaround from about 60-30 in favour of the Card in late 1986 to about the same proportion against. There were large meetings, particularly in provincial and country centres. On 23 September, 20-30,000 people marched in Perth. The issue gave every impression of developing into the most divisive social issue at least since the Vietnam War and possibly since the Second World War, but with the additional aspect that demonstrations were not confined to the capital cities.

In late August, the A.L.P. State Conference called on the Victorian Labor Government to boycott the scheme. In early September, the N.S.W. Labor Cabinet, facing an election within six months, expressed overwhelming disapproval of the scheme. Also in early September, rank and file representatives at the trade union congress blocked the intentions of the A.C.T.U. executive to announce support for the scheme, and called for a comprehensive review. The three non-Labor State Governments announced that they would not provide births, deaths and marriages registry data to support the scheme. There was increasing discomfort within the Federal Parliamentary Labor caucus, with many members in marginal seats fearing that their prospects at the next election would be slim, particularly since at that time the issue of Cards would be likely to be in full swing.

With the Prime Minister continuing to take a high profile on the issue, the Bill was reintroduced in mid-September, with 7 October 1987 publicised as the target for the Senate vote. At this stage the Government felt forced to promise a subsequent Bill containing amendments. It did not provide any detail as to what was intended, but likely contenders were matters relating to data security, and the practicability of compliance by financial institutions. The Government could not incorporate such amendments in the original Bill without foregoing the right to a joint sitting. In the press on the morning of 23 September, it was reported that the Bill was likely to be passed in early 1988, after a short Senate enquiry, rejection in the Senate, and a joint sitting.

During Question Time on 23 September, the Opposition dropped a bombshell on the Government by identifying a tactical flaw in the Bill: the date for implementation of the Act was not part of the legislation, but would have to be subsequently passed by Regulation. It was therefore possible for the Government to have the Bill passed in a joint sitting, but for the opposition parties in the Senate to combine to prevent its implementation, by disallowing the Regulation. The Government announced a few days later that it was withdrawing the Bill.

Such a feature, whereby implementation details are deferred to a later time, is standard practice. However its potential to undermine the Government's intentions came to light in a curious way. A previous Deputy Secretary of the Commonwealth Attorney-General's Department, Ewart Smith, who had recently retired from the Administrative Appeals Tribunal (and had thirty years earlier been a cricket team-mate of the Prime Minister's), had written letters to two newspapers opposing the Card. As a result, a retired Secretary of the Treasury, John Stone, who had become a National Party front-bench Senator in the July 1987 election, contacted him to discuss the possibilities for defeating the Bill. Smith communicated to Stone his discovery of the need to set the implementation date by Regulation (Smith, 1988). In effect, then, a proposal devised by and mainly to serve the interests of, senior public servants was scuttled by two ex-senior public servants.

When it announced its withdrawal of the Australia Card Bill, the Government did not even mention that it was also withdrawing the Privacy Bill, and gave no indication of any intention to re-draft that component of the package. It did, however, announce that it would now draft enhancements to the Tax File Number (TFN) scheme administered by the Australian Taxation Office. This was consistent with the recommendations of the Joint Select Committee on an Australia Card, which had recommended strongly against the multi-purpose register, number and card, but had supported the taxation-
Card, which had recommended strongly against the multi-purpose register, number and card, but had supported the taxation-specific alternative of increasing the reliability with which taxable income could be associated with a specific taxpayer.

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