

**Australian Government
Treasury**

**MODERNISING BUSINESS REGISTERS AND DIRECTOR IDENTIFICATION
NUMBER DRAFT LEGISLATION**

Submission by Professor Helen Anderson, Melbourne Law School

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I thank the Treasury for this opportunity to make a submission in response to the exposure draft of the legislation dealing with modernising business registers and the director identification number.

I first began campaigning for a director identification number in 2013: Helen Anderson, 'An Ounce of Prevention: Practical Ways to Hinder Phoenix Activity' (2013) 25(3) *Australian Insolvency Journal* 16, so this is an issue that is very dear to my heart. I refer to my previous submission on Modernising Business Registers for my broader ideas on the project, and I confine myself here to comments on the DIN legislation.

- Treasury should not allow the DIN project to become bogged down by the logistics of the broader Modernising Business Registers project. This could delay the implementation of the DIN for years.
- While I recognise that this is not a decision for Treasury, it is vital that the Government fund the implementation of the DIN project properly. To my knowledge, there has been no announcement as to how the project will be funded into the future.
- I note that the mode of identification has not been specified in the legislation. I am strongly opposed to biometric testing *at the initial implementation phase of the DIN* for the following reasons:
 - It is likely to be extremely costly, and finding funds may delay the project.
 - It is likely to meet stiff opposition from those concerned with privacy and civil liberties, and is an unnecessary over-reach. It will be likened to the Australia Card.
 - Government has a poor track record with data issues.
 - The DIN needs to have widespread community support, and the perception of excessive intrusion into people's private lives will have the opposite outcome.
- For this reason, I favour *commencing* the DIN with the same level of identification that is currently needed for passports or for the verification of identity needed for land transfers. **The machinery for these is already in place. The costs are knowable.**
- In future years, if biometrics become more widely accepted in Australia, the DIN (and other processes requiring proof of identity) can be upgraded to accommodate it.