



**Australian
Privacy
Foundation**

LETTER TO EDITOR

Rights and wrongs in smartcard debate

Australian Financial Review, 2 October 2006, p.39

Consultant Vish Beri is both right and wrong (“Smartcard will improve our security”, AFR, 26 September).

He is right to point out that smartcard technology can offer better security than magnetic stripe cards. But he is wrong to suggest that privacy groups are opposed to smartcards as such.

The Australian Privacy Foundation and other advocates have consistently noted the data security benefits of smartcard technology.

Yet just because a new technology exists does not mean it is the wisest investment of tax dollars – no doubt to the disappointment of IT vendors and consultants who would suggest otherwise. Mr Beri’s suggestion that “function should follow form” is irresponsible from a policy development standpoint. The road to IT disasters and massive waste of public money is paved with such “build it and they will come” intentions.

Sure, since the Australia Card debates of the 1980s we’ve moved on, from magnetic stripe to smartcard technology. But that makes little difference to the real debate. The proposed Access Card is a sledgehammer to crack a nut: a \$1.1 billion national ID card for all Australians, to deal with a problem in Centrelink.

We shouldn’t be debating the technology without first discussing the policy. Australians are entitled to know exactly what problems the proposed Access Card is intended to solve - and how, why, at what cost and with what alternatives. Only then can we each judge whether the proposal will be a proportionate and useful solution to a pressing policy dilemma, and if so whether the benefits outweigh the risks.

The problems inherent in the Access Card proposal – the risk posed to privacy and data security, and the increased risk of identity theft – come not from the choice of card technology, but from the development of a national population database, and the introduction of a unique national identity number, printed on a wallet-sized card with your photograph and name.

Those same old problems exist whether you use smartcards or not.

Anna Johnston
Chair, Australian Privacy Foundation