

13 October 2023

Woolworths Group submission in response to the 2023 Digital ID Bill and Rules consultation

Dear Sir/Madam,

Woolworths Group Limited (**Woolworths**) welcomes the opportunity to make a submission to the public consultation on the exposure draft of the proposed Digital ID Legislation (the Bill) and Digital ID Rules (the Rules).

Woolworths was founded in 1924 and has a proud history of serving Australian communities. We are one of Australia's largest retailers and private sector employers, with over 180,000 team members. We serve over 20 million customers each week nationwide across more than 1,250 Woolworths Supermarkets, Woolworths Metro and BIG W stores. We offer a range of consumer services and our WPay payments business facilitated over one billion card transactions in FY23. We also operate Everyday Rewards, which has 14 million Australian members.

Our customers rightly expect high standards of data security, online protection and the responsible use of data. Cyber security and responsible data management are fundamental to our business.

Summary of Woolworths' key feedback

We are supportive of measures to promote enhanced use of Digital ID services.

These platforms can, in the right circumstances, remove the need for individuals to share identity documents with businesses. This reduces the risk of such documents being compromised. In our business, Digital ID could help with online age-verification for age-restricted products (e.g. alcohol, tobacco) or in the sign up process for telephony or insurance services. Digital identity may also help improve customer experiences by removing friction and speeding up service delivery.

We support efforts to increase trust in the Digital ID system. To underpin consumer and business trust in Digital ID, we support a robust accreditation process and the addition of clear and practical safeguards. Specific comments on key themes as outlined in the Bill and Rules are detailed below.

Specific feedback on individual proposals

Digital ID frameworks

Consistent with our submission to the *2023-2030 Australian Cyber Security Discussion Paper*, we support the acceleration of legislation to expand the scope of Digital ID. ID services should be prioritised based on the sensitivity and/or volume of the information that is required to be collected.

While we support the Minister having rule-making power to include new services over time, we would encourage broad application from the outset, including for organisations in the private sector. We are keen to offer Digital ID as an alternative verification option for our customers as soon as we can safely and securely do so. We would welcome the opportunity to work with the Commonwealth on testing safe and secure API integrations to ensure they are simple and intuitive for organisations to adopt.

Responsible data governance

We support efforts to reduce the need for businesses to collect and store personal customer data for services that require a form of identity verification such as telephony or insurance. It will help reduce the potential exposure risk of personal information. It could also help verify a customer's age for the purchase of age-restricted products (e.g. meeting the requirements of the same day liquor delivery ID verification requirements recently introduced in NSW).

We note that the expansion of these services could have overlapping applications to concurrent reforms to the Privacy Act 1988 and the Commonwealth's 2023-2030 Cyber Security Review. Consistent with our submissions on those reforms, we support a customer-first approach to manage certain uses of identity information including profiling, the use of biometrics, or selling data in the context of the Digital ID, as well as strict requirements on deletion.

Enhancing public trust in the Digital ID

For any Digital ID service to prove successful in Australia, the public must have trust in the program. Corporate entities must also be able to effectively assess the security and quality of accredited Digital ID providers.

We welcome the Commonwealth's proposed accreditation process of private sector Digital ID service providers. On top of this, we recommend the government provide a more robust and publicly available assessment of providers against a set of privacy and cyber security standards, benchmarked against industry averages.

We understand the Commonwealth is considering how they can make the Digital ID accessible to vulnerable and disadvantaged members of the public. We fully support this approach. Given it is a voluntary scheme, we understand it will not be used by everyone. As such, we will continue to offer alternative forms of verification to customers who are not signed up to Digital ID.

Woolworths Group Recommendation: Government to develop a robust publicly available assessment of private sector Digital ID service providers so consumers and organisations can make informed choices about what platform is the most secure.

Woolworths Group Recommendation: Government to accelerate the timeline for private sector organisations to make use of the Digital ID system for the benefit of consumers.

Digital ID to verify the identity of employees

As Australia's largest private sector employer, we also see the potential of a legislated national digital identity system. This would allow businesses to authenticate and verify the identity of prospective employees quickly and securely. We would welcome further engagement from the Commonwealth (via subsequent consultation) on how a Digital ID could interact with existing services that actively fulfil right to work and background checks for candidates on behalf of companies (e.g. MyPass, CV Check, FirstAdvantage and Equifax).

Woolworths Group Recommendation: The Government to conduct further consultation with industry on the application of Digital ID programs to verify the identity of prospective employees.

We appreciate the time and effort the government has taken to review our submission on this important matter. We look forward to working with the Department of Finance on these reforms and look forward to continued engagement in subsequent stages of the policy development process.