
PRIVACY LAW ISSUES — REFORM PROPOSALS AND THEIR IMPACT ON THE FINANCIAL INDUSTRY

QUESTIONS AND ANSWERS

Question – Dermot Ross (Chairman):

One of the reasons for not proceeding with the Federal legislation is to reduce the cost to business of complying with the legislation, but surely there will be a cost in complying with voluntary industry codes. Do you have a view on that?

Response – The Hon Daryl Williams (Speaker):

I expect there will be some cost, but the difference between a choice of legislative solution and a voluntary system is that business is able to adapt in its own way to the provision of the protection. With a legislative regime there is no alternative but to comply in the way that the legislation requires – and that gives a great deal more flexibility as to how costs are to be incurred and met.

Question – Ros Grady (Speaker):

I would just like to ask the Attorney-General what sort of sanctions, if any, he sees might be applied to a breach of the voluntary code if we do go down that route? How would they be enforced?

Response – The Hon Daryl Williams (Speaker):

In the address I specifically referred to the fact that, in the existing voluntary codes on a variety of subjects that industry has set out, there is a range of different mechanisms, some of which I might accept are not all that effective and some of which are. I think the onus is on business, given that consumers want to be assured of protection, to know that there is a remedy that they can obtain. Of course there is always the ultimate risk that business cannot cope – which is something I do not accept – but if they cannot, then there would be increasing pressure from consumers to go back to looking at legislation.

Question – Ian Gilbert (Australian Bankers Association, Melbourne):

Could I ask the Attorney-General – other than the Northern Territory and Queensland that have responded to the Prime Minister's request to stay any action to initiate privacy legislation, have the remaining States and the ACT also confirmed that they will not do so?

Response – The Hon Daryl Williams (Speaker):

The current state of play, as I indicated, is there were plans on the part of the New South Wales government to look at privacy legislation and the Victorian government was considering it. I am not aware that that has been pursued since 21 March, but we have not had a formal response.

Comment – Dermot Ross (Chairman):

What we must do is send Bruce Slane's paper to the Attorney-General. Without being biased about it, it seems that really everything about the New Zealand system is optimistic and it works in practice – a few teething problems, but nothing substantial – and yet somehow our Australian friends do not appear to see the wood for the trees.