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Data Availability and Use
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Submission to the Productivity Commission: Inquiry into Data Availability and Use

The Westpac Group (**Westpac**) thanks the Productivity Commission for the opportunity to participate in the inquiry into data availability and use.

EXECUTIVE SUMMARY

Introduction

Data, when used effectively, provides immense value to businesses, governments, consumers and society in general. Westpac is Australia's oldest company and first bank and has a vision to 'be one of the world's great service companies, helping our customers, communities and people to prosper and grow'. Consistent with this vision, Westpac recognises its important role in positioning Australia to take advantage of the opportunities afforded by a data-sharing economy.

Westpac has experienced firsthand the transformative opportunities of data-driven innovation, including the offer of improved products and services to our customers. In pursuing our vision for service leadership, Westpac has:

- Built personalised experiences for our customers through data-driven service initiatives such as 'Westpac Wonder'¹ which uses a customer's known financial information to help the customer achieve their home ownership aspirations;
- Extended our services beyond core banking such as the provision of data analytics services to help our corporate customers meet business challenges and realise new opportunities; and
- Partnered with leading entrepreneurs who are developing innovative and valuable solutions to real customer problems. For example, Westpac has made significant

¹ Westpac Wonder uses the information that Westpac holds about its customers, such as income, assets and the estimated value of properties to provide customers with personalised home loan options in real time.

data-related investments, including in Data Republic², a data marketplace platform (through the Reinventure Fund³), and the Westpac Data Bank⁴.

In addition, Westpac has participated in the development of a number of other initiatives to enhance data sharing across industry segments, including the voluntary Comprehensive Credit Reporting (CCR) regime. Westpac will continue to actively work towards implementation of the CCR regime over time.

Nevertheless, there are opportunities to enhance the effective use of data and related insights across both the public and private sectors to the benefit of consumers, businesses and the broader economy. Westpac notes the specific role for Government in an environment of increased data availability and use is being considered across a number of international jurisdictions.

Any enhancements to the Australian data sharing regime need to be appropriate to the domestic context. This includes an assessment of the existing levels of competition and innovation in the Australian economy and consumers' trust and confidence in an environment of increased data sharing, both with customers directly and with third parties.

Westpac suggests the existing legislative framework within which data is currently shared by private sector organisations (including Australian privacy legislation) provides a useful basis for any expanded data sharing regime.

However, any **required** increase in the availability and use of data in the economy needs to balance a number of policy objectives, including:

- Ensuring Australia's global competitiveness through an innovative and productive economy;
- Retaining the paramount importance of the privacy and security of individuals' personal information;
- Enhancing an individual's right of access to information held about them by public and private sector organisations in line with a strong consumer protection framework; and
- Retaining incentives for private sector organisations to invest in data capture, secure data storage and analytics to ensure continued innovation, including the ability for businesses to exchange data on the basis of commercial terms.

² Data Republic Pty Ltd - <https://www.datapublic.com.au/>. Refer also to Australian Financial Review article: <http://www.afr.com/technology/banks-planning-big-data-deals-to-target-customers-20160521-gp0png>

³ Westpac is the largest investor in the Reinventure Fund. See <http://reinventure.com.au/>

⁴ Westpac Data Bank Pty Ltd - <http://www.westpacdatabank.com.au>

In addition, it is important that competitive neutrality and a level playing field are maintained. Established organisations should not be expected to subsidise new market entrants in data-sharing initiatives. Mechanisms to reciprocate access to comparable information (on comparable terms) between comparable organisations exchanging data are also essential.

In considering these objectives, Westpac recommends an enhanced data sharing regime which distinguishes between the following data categories:

1. General information that is publicly available reference information;
2. Information about an individual (for example, a bank's individual or small business customers); and
3. Aggregated information and insights.

To ensure adequate privacy and security standards are maintained, Westpac recommends the Government consider the introduction of data-sharing governance standards through a regulated licensing regime.

It is essential that a period of market testing is undertaken prior to the implementation of any recommendations to ensure that proposed solutions are effective, meet existing demand and achieve stated policy objectives. This should include consumer testing to assess readiness and appetite to participate in an enhanced data-sharing regime.

It should also be noted that market participants will require an adequate transitional timeframe to comply with any enhanced obligations due to the significant technology complexity and costs associated with increased data availability, access and use. In addition, there are a large number of outstanding legal and security issues which need to be addressed through further consultation between Government and industry.

A summary of Westpac's recommendations is below:

Recommendation 1 – The Government should mandate the provision of publicly available general reference information about products and services (for example credit card interest rates and fees) in a standardised form for completing required data fields. Requirements should be tailored to relevant industry segments and product types (e.g. mortgages and credit cards). Importantly, this should not replace existing disclosure requirements.

Recommendation 2 – The Government should require private and public sector organisations to provide individuals with access to a selection of information the organisation holds about them in a standardised and readily useable format. For example, account transaction history and total interest paid on a consumer credit product.

In principle, Westpac supports the provision of individual customer information to third parties appropriately authorised by the customer. However, additional privacy, security and legal concerns will need to be addressed to enable data sharing with third parties in this scenario.

Recommendation 3 – The mechanisms for sharing standardised information under *Recommendation 1* and *Recommendation 2* should be further discussed between Government and industry, including, the use of bilateral arrangements, private and open Application Programming Interfaces (APIs).

Recommendation 4 - The Government should support the voluntary sharing of de-identified aggregated information and insights in a controlled manner through the use of private marketplaces and bilateral arrangements. The Government and relevant regulators should continue to monitor data-sharing developments in the private market.

Recommendation 5 - The Government should consider the introduction and enforcement of data-sharing governance standards through a regulated licensing regime for all market participants (including both the public and private sectors).

SECTION 1: Data Categories

Both public and private sector organisations in Australia hold many different types of data. There are many ways that data can be classified. However, Westpac considers that data can be divided into three distinct categories with different levels of risk and value attached to each category. The appropriate way to use, manage or share data will vary according to the category of data involved.

Category 1: General information consists of information about products and services offered by an organisation. Examples include product and service fees and charges and product interest rates. It is likely that information in this category is already available to customers, albeit in a non-standardised form across different channels.

Category 2: Information about an individual consists of information about an individual that is:

- (a) provided by that individual to an organisation; and
- (b) otherwise captured by an organisation in the course of the organisation's activities.

For example, a bank holds the following information about its customers: name, address, account number and customer account details. This category also includes a customer's personal account transaction history.

Category 3: Aggregated information and insights consist of:

- (a) the compilation of multiple individual customer records;
- (b) information about multiple customers grouped together into a segment; and/or
- (c) analytical insights.

Aggregated information and insights may include personal information as well as de-identified information (such as spending patterns). This information helps organisations better manage processes and make decisions. Examples of information in this category are aggregated records of debit/credit transaction data for multiple bank customer accounts or statistical measures of the propensity of customers in a defined demographic segment to exhibit certain behaviours provided in a de-identified form.

Section 2: Westpac's proposed data sharing regime by data category

Westpac provides recommendations specific to each category of data below. These recommendations are informed by the important issues outlined in the introduction.

2.1 CATEGORY 1: GENERAL INFORMATION

2.1.1 The provision of general information

Westpac strongly supports the provision of transparent information presented in a manner which allows customers to make appropriate financial decisions and secure their financial aspirations.

In the financial services industry today, customers are entitled by law to receive detailed information about the products and services they acquire or use, such as:

1. Financial product terms and conditions (including details of fees and charges)⁵; and
2. Credit guides and credit proposal disclosure documents⁶.

⁵ Required by the product disclosure statement provisions in Chapter 7 of the *Corporations Act 2001* (Cth).

In addition to our legal obligations, the banking industry provides a range of general information about our products and services across channels. However, this general information is not currently presented to the public and customers in a standardised way across the industry. Westpac suggests that customers could be further empowered to make appropriate financial decisions by providing certain information about specific products and services (e.g. personal transaction account and credit cards) in a standardised way. Standardised data fields could include interest rates standard terms and conditions, charges and customer eligibility criteria.

Recommendation 1 – The Government should mandate the provision of publicly available general reference information about products and services (for example credit card interest rates and fees) in a standardised form. Requirements should be tailored to relevant industry segments and product types (e.g. mortgages and credit cards). Importantly, this should not replace existing disclosure requirements.

2.1.2 Proposed Solution

Westpac supports the provision of general information relating to specific consumer credit and financial products and services in a standard file format that can be accessed by any person or entity and enable easy comparison of products and services across the market.

We expect that this approach can be adopted across all industries; however, a period of industry-specific consultation will be required to identify the relevant standard datasets for each industry and the associated implementation approach.

Further discussion with the banking industry is required on the type and format of information (i.e. data fields) to be provided for relevant consumer credit and financial product type.

The provision of general information about products and services in a manner that is consistent and transparent across each industry will promote ease of comparability and choice, thereby enhancing customer empowerment.

⁶ Credit Guide under section 126 of *National Consumer Credit Act 2009* (Cth) (NCCP Act) for credit providers and the Credit Proposal Disclosure Document under section 121 of *NCCP Act* for credit assistance providers.

2.2 CATEGORY 2: INFORMATION ABOUT AN INDIVIDUAL

2.2.1 The provision of information about an individual

Westpac recognises the value of certain information to an individual's informed decision-making. Westpac supports the Productivity Commission's objective of empowering individuals through increased access to information held about the individual by organisations.

Banks are required by law to provide the individual with access to relevant information about them, including, statements of account / transaction histories⁷.

In addition to complying with our legal and regulatory requirements, Westpac supports our customers to make appropriate financial decisions through a range of additional tools and services. This is consistent with our vision of service leadership.

For example, we provide personalised information to Westpac customers, including online information to help customers manage their credit card usage and avoid fees and charges. In addition, Westpac also provides customers with a broad range of tailored information such as a customer's interest rate and tax summary to facilitate tax returns.⁸

Nevertheless, there is an opportunity for the industry to increase the amount of information they provide customers about themselves and to standardise the type and format of information to ensure it is more readily usable for the customer.

Recommendation 2 – The Government should require private and public sector organisations to provide individuals with access to a selection of information the organisation holds about them in a standardised and readily useable format. For example, account transaction history and total interest paid on a consumer credit product.

In principle, Westpac supports the provision of information to third parties appropriately authorised by the customer. However, additional privacy, security and legal concerns will need to be addressed to enable this enhanced data sharing to third parties.

⁷ Required by section 26 of the *Code of Banking Practice* - <http://www.bankers.asn.au/Industry-Standards/ABAS-Code-of-Banking-Practice/Code-of-Banking-Practice>.

⁸ Refer to <http://www.westpac.com.au/personal-banking/online-banking/whats-new/interest-and-tax-summary/>

2.2.2 Proposed solution

Westpac recommends that the Government require public and private sector organisations to make a selection of customer information available directly to customers through a standardised form. We recommend an industry-led consultation to identify and agree the common data fields for the datasets. We anticipate that the presentation of information about an individual customer to that customer will differ between industries and different products and services within those industries.

By way of illustration, if this was to occur, Westpac would look to make available standard “Data Packs” containing certain personalised information relevant to individual and small business bank customers. This would be provided in addition to the information already available to our customers through online and mobile banking. This could include the following:

- Summary of all fees and interest paid by a customer to a financial institution, to assist customers to compare these figures against those pertaining to other organisations for the same or similar consumer credit and financial products.
- Summary of income deposits into a transaction account, which could be shared by the customer with relevant third parties for the purposes of efficient income or credit verification, or for tax purposes.
- Full current account transaction history over a defined period, in an industry-standard format and content that enables use by customers, including ease of uploading into comparison tools.

These datasets should only be used with the customer’s informed consent and for the customer’s benefit. The provision of standardised datasets would, at a minimum, need to be mandated across the financial services industry to ensure consistent application and compliance by all financial service industry participants. Such mandatory requirements could be extended to other industries as applicable.

2.2.3 Existing legislative framework for data sharing

The Australian privacy legislation creates a framework which, subject to limited exceptions, mandates the sharing of ‘personal information’ with individuals to whom such information relates. Organisations are required to respond to an individual’s request for access to the individual’s personal information within a reasonable period of time and are entitled to charge a fee for access (which must not be excessive).

Organisations must provide access to an individual's personal information in the manner that has been requested by the individual, if it is reasonable and practicable to do so (which may include by email, by phone, in person, hard copy, or an electronic record). If the organisation does not give access in the manner requested by the individual, it must take reasonable steps to give access in a way that meets the needs of both the organisation and the individual, which may involve the use of a mutually agreed intermediary.

2.2.4 Data sharing with third parties authorised by the customer

Westpac considers that the existing legislative framework provides a useful basis for an enhanced regime for sharing with individuals (and third parties appropriately authorised by the individual) information held by an organisation about the individual in a standardised form. In particular this would make it easier for an individual to interact with multiple providers.

To facilitate enhanced data sharing with authorised third parties, there are a number of significant privacy, security, governance and legal concerns that need to be addressed. For example, any such sharing would need to be considered in the context of a bank's legal obligations to keep information about its customers secure and confidential. In addition a bank should not be held liable for any access, storage or use of information relating to its customer, because that information has been provided to a third party authorised by the customer.

Sharing information with third parties as opposed to directly with the customer carries inherent risks which include:

- i. **Identity verification** – When an individual has directed an organisation to disclose his/her information to a third party, it may be difficult to verify, from both a technical and practical perspective, that the third party concerned is in fact the third party to which information should be disclosed, particularly in the case of data sharing through the use of APIs. This creates a risk for the customer. In addition, this may result in increased risk exposure for banks, particularly as banks owe a duty of confidentiality to their customers. As things currently stand, any unauthorised disclosure of customer information by a third party may lead to liability on the part of the bank disclosing the information, as well as reputational damage.
- ii. **Informed consent** - Even when customers have consented to third party data access, they may not fully appreciate the type or amount of data to be disclosed about them, the scope of intended use or which types of data attract

a higher risk of fraud. This would be of particular concern in any real-time data-sharing scenario, in which it would be important that customers understand the duration of consent and their ability to reaffirm or withdraw their consent. In particular, the application of informed consent needs further discussion.

- iii. **Data governance** – In an open data context, it may prove difficult to keep track of where data and/or its derivatives end up and how it is used once it is released from an organisation’s control. Data must only be stored and used for express purposes and under strict security and other controls, upon which sharing is predicated. Any deviation from these conditions may result in data loss, various forms of data misuse and damage to individuals and organisations, without full clarity as to root cause and accountability. The highest standards of governance will be needed in order to mitigate these risks.
- iv. **Privacy policies** - Balancing disclosure/notice obligations against the desire to keep privacy policies simple, succinct and meaningful for individuals is a challenge and we note that the operationalisation of effective privacy management frameworks is complex and requires significant investment from organisations.
- v. **Data Security** – Data security risks are inherent in any data sharing arrangement and are not limited to data sharing with third parties where it is authorised by the customer. Data security is crucial to Westpac and absolutely fundamental to the trust that our customers place in the bank. This trust may be challenged in an environment of increased data sharing with third parties, particularly when third parties do not currently operate under the same regulatory environment or standards. Security matters of particular concern are outlined below:
 - **Differential security standards** - Customers expect that information maintained by a bank will be kept confidential and held to the most rigorous data security standards. Increasing third party access to data and moving data from bank-grade security to third parties with less rigorous security systems, controls and processes (including in relation to secure data storage) may present undesirable risks for the bank and the customer. This is particularly the case if a customer directs that information is to be shared with a third party that is not regulated under the *Privacy Act 1988*.
 - **Secure transfer** - Safely delivering customer information to third parties will require a more full-featured and complex security/fraud model than is currently in place at most financial institutions and

organisations more generally. Increasing the number of access points and interfaces (such as externally-facing APIs) expands the threat vector of malicious activity for cybercriminals to intercept datasets in transit.

- **Disclosing banking credentials** – Protecting customer funds and sensitive customer information by ensuring that only customers can authorise transactions and changes to customer details is important to the integrity of the banking system. Current arrangements that entail the disclosure by customers of banking credentials (such as internet banking logons) to third parties involve a breach of banks' terms and conditions and present heightened security and fraud risks. This practice will remain a key risk to manage until such time as alternative mechanisms of data-sharing that do not require customer disclosure of banking credentials are available and broadly used. Westpac is exploring the feasibility of alternative mechanisms for data-sharing that do not require the disclosure of customer banking credentials.
- **Identity fraud** - Increased access to individual customer information can lead to higher risk of identity fraud through social engineering. Information can be enriched through web analytics and contact with other organisations to phish for further customer details. In certain circumstances, information may be assembled that is sufficient to enable identity theft.

These issues become magnified if live data feeds are being considered, in addition to the transfer of defined, discrete and static data transfers on a read-only basis. Finding solutions to deal with those higher risks will require further consultation between industry and Government.

2.3 MECHANISMS FOR SHARING DATA

We suggest that rather than mandating the use of specific mechanisms of data-sharing such as APIs, the Government should, as a first step, encourage organisations to independently develop mechanisms for facilitating data-sharing for both customers and third parties.

Recommendation 3 - The mechanisms for sharing standardised information under *Recommendation 1* and *Recommendation 2* should be further discussed between industry and Government, including the use of bilateral arrangements, private and open APIs.

2.3.1 Current mechanisms for sharing data

There are various ways in which organisations could provide individuals, and/or potentially third parties nominated by the individual, with access to information that the organisation holds about them.

These may include:

- Direct secure data transfer between organisations;
- Private externally-facing APIs; and
- Public externally-facing APIs.

While we understand that the Government is exploring the use of APIs, in our view the use of externally facing APIs is not currently well enough established to safely transmit banking information in the Australia banking and financial services industry.

2.3.2 Issues relating to API usage

Significant and complex issues relating to API usage requiring further Government and industry consideration include those listed below:

- **Vetting** - All third party API access would necessitate vetting by the organisations providing the requested information to determine the appropriateness of the data access request and the terms of such access. Secure transfer mechanisms must also be considered in this process.
- **Cost Recovery** – There would be significant costs to implement and maintain externally-facing APIs in order to achieve acceptable operational performance and ensure that appropriate bank-grade controls are in place to manage security and privacy risks arising from data sharing. Organisations should have the ability to recover reasonable costs from third parties that access and use data in this manner.
- **Authentication and validation** – The need for customers to be able to authenticate themselves and authorise a third party, as well as the ability of an organisation to verify the validity of such authorisation in a timely manner, would present significant technical challenges for the industry.
- **Access rights and permissions** – Read-only access to discrete and pre-set Data Packs, accompanied by a static copy of data, is a viable option to explore. Any *write* access in an API would, expose secure banking systems to unacceptable risks given the increased likelihood of fraud and the opportunity for cyber security breaches.
- **Volume, scale and capacity** – While the required scale of infrastructure is unclear, it is likely that the data volumes entailed would necessitate a cloud-based solution.

This may be challenging for regulated entities that are subject to stringent security guidelines and standards relating to the usage of cloud-based technology.⁹

- **Servicing and support** – The service and support of APIs (i.e., monitoring of performance levels and API version control) would create additional obligations and increased accountability and risk for an organisation to manage, resulting in extensive resourcing requirements and associated costs.

These issues reinforce why the mechanisms for data-sharing (including APIs) should be further discussed, and at this stage should not be mandated.

2.4 CATEGORY 3 – AGGREGATED INFORMATION AND INSIGHTS

As noted in Section 1, this data category may include personal information (about an identifiable individual), as well as de-identified information (such as spending patterns).

Westpac considers that any Productivity Commission recommendations to the Government should be limited to the sharing of de-identified aggregated information, particularly as the sharing of aggregated information for the purpose of innovation does not necessitate access to personally identifiable information or information that can reasonably be re-identified (including customer lists).

2.4.1 The current legal and regulatory framework

The current legal and regulatory framework is evolving with the emerging data market. Regulators such as the Office of the Australian Information Commissioner (OAIC) proactively provide guidance and oversight concerning privacy and security risks inherent in the sharing of aggregated de-identified information. This is evident in the OAIC's *Draft guide to big data and the Australian Privacy Principles*, which aims to facilitate big data activities while protecting personal information.

In preparing the draft guide, the OAIC noted that big data analytics has changed the way we identify trends and challenges, as well as opportunities. This means big data has the potential to bring about enormous social and economic benefits.

⁹ For example, financial institutions are required to consider the requirements set out in the Information paper *Outsourcing Involving Shared Computing Services to comply with Prudential Standard CPS 231 Outsourcing (CPS 231) and Prudential Standard SPS 231 Outsourcing (SPS 231)*: <http://www.apra.gov.au/AboutAPRA/Documents/Information-Paper-Outsourcing-Involving-Shared-Computing-Services.pdf>

In particular, enriching aggregated de-identified information through data sharing has the potential to contribute to faster and improved decision making as well as innovation to create new products and services for organisations. This aligns to the growing investment in big data analytics and Westpac is actively exploring opportunities to share aggregated de-identified information.

The value of aggregated information and insights is reflected in the significant investment made by organisations, including Westpac, in the procurement, curation, and analytics of data to derive actionable information¹⁰ and insights applied across a wide array of critical business functions, including customer services.

Westpac has invested significant time and effort to foster and grow its data analytics and data management capabilities to derive meaningful insights from data that support informed business decisions and improvements to customer experience.

Commercial-in-confidence information constitutes valuable trade secrets of an organisation and accordingly must be protected from unauthorised use or access. This is particularly the case for aggregated information and insights. Organisations reasonably seek to exclude or limit access to this information in order to retain commercial control over valuable assets, to protect any intellectual property rights that exist in this information (e.g., from derived insights) and to maintain the confidential nature of this information.

2.4.2 Proposed Solution

In line with the commercial-in-confidence nature of this data category, Westpac recommends the Government should support the sharing of de-identified aggregated information and insights on a voluntary basis and in a controlled manner.

Recommendation 4 - In line with the commercial-in-confidence nature of this data category, the Government should support the voluntary sharing of de-identified aggregated information and insights in a secure and controlled manner through the use of private marketplaces and bilateral arrangements.

Westpac considers that the use of bilateral commercial agreements and emerging data marketplaces are the most effective mechanism to foster competition, innovation and the

¹⁰ Actionable information provides data in a way that can be easily interpreted and used to make decisions. For example specific and credible quantitative results showing trends or patterns.

economic incentives required for continued investment in aggregated datasets and insights within robust security and privacy controls.

In this context, it is essential that organisations retain the ability to actively vet and, where applicable, control third party access to aggregated datasets and insights and, at their discretion, charge a fee for access under commercial arrangements that reflect the commercial value of data in a data-sharing transaction.

2.4.3 Current mechanisms for Category 3 data sharing

Several market initiatives have already been developed to facilitate bilateral data sharing for a commercially negotiated price governed by competition and market forces (taking into account the investment already made in the relevant information, the intended use of the information and/or the revenue stream to be derived by the purchaser from the information). These bilateral commercial arrangements include robust controls to maintain privacy, security and confidentiality.

In addition to direct bilateral arrangements, data sharing is further facilitated through the use of data marketplaces. This involves sharing data over a data exchange platform such as that operated by Data Republic.

One of the main capabilities of Data Republic is that it offers a ‘privacy by design’ data marketplace platform which enables secure data storage, exchange and analytics of de-identified customer attribute data (such as spending patterns). This enables Data Republic participants to develop powerful insights across broad sets of data with extremely robust controls that reliably mitigate the risk of re-identification. Resultant data products such as propensity models and trends can be used to optimise, innovate and compete with existing products and services.

We recommend that the Government and the relevant regulators continue to support voluntary data sharing of aggregated information and insights and monitor data market progress and development over time.

SECTION 3

3.1 The role for Government

Westpac believes that the Government has a central role to play in enhancing trust and confidence in data-sharing. Specifically, it is recommended that the Government considers the following actions:

- a) Developing, introducing and enforcing data-sharing governance standards under a data-sharing licensing regime; and
- b) Actively raising public 'data literacy' i.e. awareness of the risks and opportunities arising from data-sharing.

The key objective of governance standards should be to reduce the risk of identity theft, customer data breaches, or security, privacy and consent issues that can occur with data storage and sharing.

Westpac has taken steps alongside other major organisations in Australia to establish data governance practices and standards as a member of Data Governance Australia, formed under the Association for Data-Driven Marketing and Advertising (ADMA).

Recommendation 5: The Government should consider the introduction and enforcement of data-sharing governance standards, through a regulated licensing regime for all market participants (including both the public and private sectors).

Westpac considers that the establishment of data governance standards should form part of a new licencing regime to apply to all industries and both the private and public sectors. Under such a licencing regime, entities sharing data might be required to meet certain baseline standards for endorsement.

Minimum standards could include elements such as:

- Organisational competency (e.g., appropriate qualifications, skills and training);
- Complaints handling (including internal and external dispute resolution) for individuals and organisations;
- Sufficient measures to support customer redress and remediation in the event of unauthorised use or fraud;
- Baseline data security, process controls and transparency requirements;
- Baseline privacy requirements (to the extent that personal information is to be shared); and

- Appropriate insurance (types and level).

So as not to be prohibitive to innovation and start-ups in Australia, the Government could consider a 'sandbox' approach under which partial relief from full licensing or endorsement standard criteria is provided for a one-off and narrowly defined period, for example, for pilot or testing.

Westpac suggests that an existing regulatory body such as the OAIC would be well-positioned to perform this governance role given its holistic coverage of both the public and private sectors across all industries. Although, it is noted a corresponding increase in resourcing would be required.

Westpac considers it would be more efficient to expand the current remit of the OAIC to cover data-sharing than to establish another governing body. The OAIC has a range of existing enforcement powers and remedies (including the ability to seek civil penalties) that may be relied and built upon in the context of a data-sharing framework. Similarly, existing OAIC initiatives such as 'Privacy Awareness week', guidelines and fact sheets could facilitate increased data literacy for individuals and the data-sharing community.

The role of a regulator and licencing regime should be further explored between industry bodies, the OAIC and Federal, State and Territory Governments to maintain a consistent approach to data-sharing across all entities (public and private).

SECTION 4 - NEXT STEPS

Westpac welcomes the opportunity for further consultation with the Productivity Commission on our recommendations and the issues identified in this paper.