



Digital ID PIA Update 2 (2025 Rules): Departmental Response

November 2025

Introduction

This document sets out the Department of Finance's (**Finance**) response to a privacy impact assessment (**PIA**) of the exposure drafts of the *Digital ID Amendment (Redress Framework and Other Measures) Rules 2025* (**Digital ID Amendment Rules**), and the *Digital ID (Accreditation) Amendment (PSPF and Other Measures) Rules 2025* (**Accreditation Amendment Rules**) (together, the **2025 Rules**).

Background

Maddocks (a legal service provider) conducted the first PIA of the Digital ID Bill 2024 and associated draft rules in December 2023. This assessment was supplemented by an addendum in January 2024 and further updated in November 2024 to reflect refinements to the Bill and the Digital ID and Accreditation Rules.

Consistent with Finance's continuing commitment to a 'privacy by design' approach to delivering the Digital ID framework, in September 2025 Finance engaged Maddocks to undertake a further PIA process (**PIA Update 2**) specifically in relation to the 2025 Rules. Maddocks carried out a PIA on the exposure drafts of the 2025 Rules, both dated 8 September 2025. Maddocks provided a *Draft PIA Update 2 Report* on 18 September 2025 (**Draft PIA**).

The exposure draft rules were published by Finance on 18 September 2025, along with their accompanying explanatory statements, for a 28 day public consultation. The draft 2025 Rules were revised in response to consultation feedback. Maddocks were provided with a copy of the revised 2025 Rules on 3 November 2025. Maddocks provided Finance the final *PIA Update 2 Report* on 10 November 2025.

Scope of the Privacy Impact Assessment Update 2

The PIA Update 2 assessed the 2025 Rules against the Australian Privacy Principles (**APPs**) in the *Privacy Act 1988* (Cth) (**Privacy Act**), assessing whether the privacy impacts of the proposed rules have been identified and appropriately managed or minimised. The Privacy Act expressly permits the handling of personal information which is 'required or authorised' by an Australian law. PIAs such as this one, which require consideration of a proposed new Australian law, consider the appropriateness of the proposed law providing that authorisation.



PIA Update 2 Report Recommendations and Finance Responses

The recommendations and Finance's responses are set out in the following table.

Recommendation 1 Digital ID Amendment Rules – Redress Framework	
Rationale	<p>It is important that individuals are, when appropriate, notified of Incidents, as a failure to do so may mean that an individual cannot effectively take steps to minimise the harm caused to them by the Incident.</p> <p>The Provider will be responsible for determining whether or not notification of an Incident to an individual will, or could reasonably be expected to, have 'a material effect on the operation of the AGDIS', but we anticipate that it may perhaps be difficult for Providers to understand and apply this test in practice.</p>
Recommendation	<p>We recommend that the Department consider whether it would be necessary or desirable to provide further guidance or directions to Providers about the interpretation and application of the matters about which a Provider must be satisfied before they are not required to notify individuals of an Incident, and if so, how best to do so.</p>
Response	<p><i>Finance response: Agreed.</i></p> <p>We support this recommendation. It is a matter for the Digital ID Regulator to issue guidance for entities about the application of the matters in this recommendation. We will support the Digital ID Regulator as required to do so.</p>

**Recommendation 2** **Accreditation Amendment Rules – Duration of consent for business users****Rationale**

ASPs will only need to seek consent from individuals using their Digital ID on behalf of a business every 7 years. This period seems very long in the context of an individual's engagement with a business, given an individual's relationship with a business is very likely to change over the course of that period. The measure assumes that 7 years is an appropriate period for a consent given at the start of that period to remain current and specific, and effectively shifts responsibility from the ASP (to actively seek consent) to the relevant individual / business (to withdraw their consent, or update the attribute).

We do appreciate that:

- an individual using a Digital ID on behalf of a business may have specified a period of time for which their consent will continue that is less than 7 years (for example, if an ASP provided an option for an individual to specify a lesser period at the time of seeking consent, this would mean that the consent would only apply for that lesser period under Rule 4.41(3)(a));
- an individual can withdraw or vary their consent at any time (Rule 4.41(2)), resulting in it continuing for a period of less than 7 years (including because of the operation of Rule 4.41(b)); and
- when using a Digital ID to act on behalf of a business, the only information shared about the individual is their full name, contact details, and the relevant attribute (e.g. the name of the business and the nature of their authority to act on behalf of the relevant business).

We understand that stakeholders consulted by the Department provided differing feedback about this change, with most indicating support for the change but others expressing reservations.

Recommendation

We recommend that the Department explore whether a shorter period than 7 years should be specified as the relevant period, and / or potentially explain the policy reasons for selecting the applicable period for the duration of the relevant consent.

Response

Finance response: Agreed.

In response to the Draft PIA Report, Finance considered whether a shorter period than 7 years would be appropriate. Finance has concluded that retaining the 7 year period is appropriate, noting that an individual may choose a shorter period and may withdraw or vary their consent at any time. Finance has updated the Explanatory Statement for the Accreditation Amendment Rules to further explain the policy rationale for selecting that period.