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Dr Stephen King
Department of Finance
1 Canberra Ave
Forrest ACT 2603

via email: DATActReview@finance.gov.au

29 May 2025

Dear Dr King,

KPMG response: Statutory Review of the Data Availability and Transparency Act 2022

KPMG Australia (KPMG) welcomes the opportunity to provide a submission in response to the Australian Government's Statutory Review of the Data Availability and Transparency Act 2022 (the Review). As a leading professional services firm, KPMG is committed to contributing positively to the regulatory landscape that governs data availability and transparency in Australia.

KPMG provided a <u>submission in response to the Exposure Draft</u> in 2020 and supports the objectives of the Act, which aims to streamline data sharing across government agencies while ensuring robust safeguards for privacy and security. The Act represents a significant step towards accelerating the optimisation of government service delivery through better use of data. KPMG has also contributed to broader consultations on data including the Australian Data Strategy in 2022.

There are significant benefits from the ability of critical government departments and agencies to share and access each other's data to support the delivery of day-to-day services, policy development and critical program provision during national disasters.

We have seen significant advancements in AI technology over the past few years, and the role of data is critical to optimising and generating value from AI offerings. Data quality, access, storage, and management considerations play a significant role in developing safe and trusted AI.

KPMG considers that in implementing the Data Availability and Transparency scheme, there is an opportunity to develop a robust, consistent and clear national framework that addresses overlapping Commonwealth, State, and Territory privacy and data protection frameworks and learnings from other data schemes.

KPMG also acknowledges the evolution of data that may occur when more data becomes publicly available. It will be important for the Australian Government to consider how data may evolve and what safeguards may be required. We note that the Privacy Act, Consumer Data Right (CDR) and Data Availability and Transparency (DATA) Act provide a foundational level of protection for personal information. We also note the actions outlined in the government's Cyber Security Strategy 2020 to protect the confidentiality, availability and integrity of Australian data.

KPMG suggests that the government consider the Review in the context of other reviews underway including the Tax Secrecy Review, broader Privacy Act reforms, voluntary Al safety standards and the proposed mandatory guardrails for the use of Al.

Response to the Review

KPMG considers that the Act should be extended beyond its current sunset date of 1 April 2027. The Act plays an important role in enhancing data sharing and transparency within the public sector. In considering the extension of the Act, it is crucial to preserve robust privacy protections to ensure that data sharing does not compromise individual privacy rights. Additionally, the Review provides an



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opportunity to consider whether any amendments are necessary to ensure that there are clear quidelines on data usage and strong safeguards against misuse.

In relation to accreditation framework requirements, KPMG suggests that there may be an opportunity to add a requirement around responsible AI usage, given the significant advancements in the use of AI since the introduction of the Act. For example, accredited users may need to demonstrate a Trusted AI Framework for their organisation.

We note that the Review seeks feedback on whether there may be benefits to expanding the scope of the DATA Scheme to allow additional participants such as private sector entities. While we consider that this idea has merit given that many private sector entities already access this data through other avenues for projects that are in the public interest, it would require thorough consideration of appropriate safeguards and requirements to ensure the security of data.

To further enhance the Scheme, the government should set clear targets and proactively identify opportunities for greater data sharing. Progressive thinking and decisive action are essential to accelerate the identification of opportunities that demonstrate the value and benefits of integrated government investments and practices. It would also be beneficial to draw on, learn from, and share relevant global government initiatives and outcomes to foster a more collaborative and informed approach.

Key observations about the operation of the Act

The issues paper outlines that there have only been eight data sharing agreements under the DATA Scheme since the Act commenced, representing a small fraction of the total current public data sharing. Additionally, 34 entities are accredited to participate in the DATA Scheme.

KPMG considers that several factors could be considered in order to raise the level of utilisation of the Scheme. These include increasing awareness of the scheme and its benefits; improving understanding of the scheme and its requirements; and ensuring appropriate governance and application of accountabilities within entities. For example, organisations may have various data-related roles including a Chief Information Officer (CIO), Chief Information Security Officer (CISO), and Chief Data Officer (CDO) with interrelated remits but no clear accountability for appropriate application of the DATA Scheme.

There may also be a reluctance to make use of data sharing opportunities due to perceived risks. Enhancing understanding and awareness of the safeguards in place may help to mitigate these concerns.

Key considerations for a strong Data Availability and Transparency scheme

As outlined in our 2020 <u>submission in response to the Exposure Draft</u>, KPMG considers that there are several areas below which are fundamental to the success and integrity of the Act.

Data ethics

The ethical use of data is crucial to driving public trust in the sharing of public sector data. Key considerations include an appropriate definition of public sector data, sufficient guardrails and guidance on the use of data to protect children and vulnerable people, and clear principles and boundaries for ethical data sharing practices.

Consent

Consent is a fundamental concept in modern data protection and privacy laws. It is important that the Act includes clear requirements of consent, aligned with the Privacy Act requirements. Further, consideration should be given to the impact of aging or withdrawn consent to the ongoing sharing or use of personal information in public sector data.

Dealing with data breaches

How data scheme entities deal with data breaches is critical to the success of the scheme and public trust in it. The risk of harm from non-personal data breaches and notification of affected entities is



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important, and should be closely aligned with the existing Notifiable Data Breach (NDB) Scheme. In addition, consideration should be given to how data scheme entities comply with overlapping data breach reporting obligations that apply to datasets that may be released.

Accreditation framework

The accreditation framework is foundational to how the Act regulates and ensures that data scheme entities have demonstrated a level of rigour around their capabilities to handle government data and have considered the purposes for which they will use government data.

Data quality

Data quality is an essential factor in the integrity and reliability of outcomes and an important driver of trusting its use. In the context of sharing, it has even more importance given any issue can be scaled up when used more broadly or out of the original context. Data quality requirements should be included in the accreditation framework and data custodians should be accountable for the data quality within the context and manage it through the data sharing agreement.

Conclusion

KPMG Australia appreciates the opportunity to contribute to the Statutory Review of the Data Availability and Transparency Act 2022. We believe that with the right balance of data availability, privacy protection, and regulatory oversight, the Act can continue to accelerate the optimisation of government service delivery. We look forward to continued engagement with the government on this important initiative.

If you would like to discuss the contents of this submission further, please do not hesitate to reach out.

Yours sincerely,

Paul Coromandel

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