

Review of statutory authorities for information matching

Report by the Privacy Commissioner
to the Minister of Justice pursuant to
section 106 of the Privacy Act 1993 in
relation to a review of the operation of
the:

Electoral Act 1993 section 263B
Immigration Act 2009 section 300

August 2016

Commissioner's Recommendation

In this report I assess the ongoing value and suitability of the Electoral Act 1993 section 263B and the Immigration Act 2009 section 300 information matching provisions.

Section 106 of the Privacy Act 1993 requires the Privacy Commissioner to carry out a review of the operation of each information matching provision at intervals of not more than 5 years and consider whether:

- the authority conferred by each provision should be continued; and
- any amendments to the provision are necessary or desirable.

The Electoral Commission (the Commission) maintains the electoral rolls used for central and local government elections, and for jury selection.

The Commission conducts a programme of five information matches to identify people who are eligible to vote but who are not enrolled on the electoral roll ("unenrolled voters"), and to update details of existing electors. These matches use:

- driver licence and motor vehicle registration information from the New Zealand Transport Authority (NZTA)
- beneficiary and student information from the Ministry of Social Development (MSD)
- citizenship and passport information from the Department of Internal Affairs.

The Commission also runs a separate match with information from Immigration New Zealand (reviewed in a previous report released June 2016) to identify people who are not eligible to be enrolled because of their immigration status.

I consider that the authority conferred by section 263B of the Electoral Act 1993 should be continued without amendment.

The Ministry of Health conducts a match with Immigration New Zealand under section 300 of the Immigration Act 2009 to determine an individual's eligibility for access to publically funded health and disability support services.

I consider that the authority conferred by section 300 of the Immigration Act 2009 should be continued without amendment.

My detailed assessments of these programmes follows. Appendix B gives a brief background to information matching, section 106 and the approach I have taken in undertaking this review.



John Edwards
Privacy Commissioner
August 2016

Unenrolled Voters Programme (Electoral Act 1993, section 263B)

1.1 Programme objectives

The programme is used to identify people who are qualified to be on the electoral roll but who have not yet registered, or people who are on the roll but whose details have changed, and to encourage them to enrol or update their details.

1.2 Recommendation

I recommend that the authorities conferred by section 263B of the Electoral Act 1993 should be continued without amendment.

1.3 Programme assessment

Financial cost/benefit and other outcomes

The programme is a cost effective approach to identifying people who may be eligible to be enrolled as electors, but who are not yet on the roll.

This process supports the objective of maintaining accurate electoral rolls.

Compliance/operational difficulties

There have been no compliance issues or operational difficulties with this programme.

Scale of matching

The scale of the programme is appropriate. Each data set includes people who would not be identified from the other data sets received. Each data set provided to the Commission includes only the information necessary for the programme.

Alternative methods to achieve results

Other methods are also used by the Commission to encourage eligible people to enrol. These include actively seeking enrolments at key events within the community and targeting of specific dwellings that do not have any occupants enrolled. These approaches cost, on average, \$5.90 and \$10.92 per form completed respectively. The cost for events is based on staff costs only. These figures compare with an average of \$3.99 for new or updated enrolments from the matching programme.

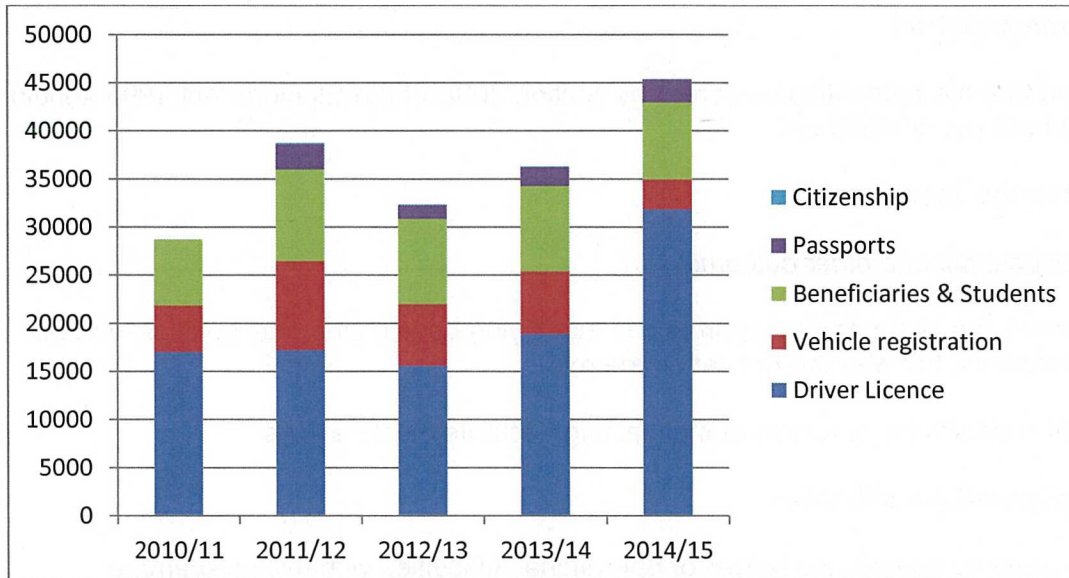
Amendment to the information matching provision

I have not received any advice from the Commission suggesting amendments to the provision authorising this programme. I am satisfied that the provision is suitably constrained and does not require amendment.

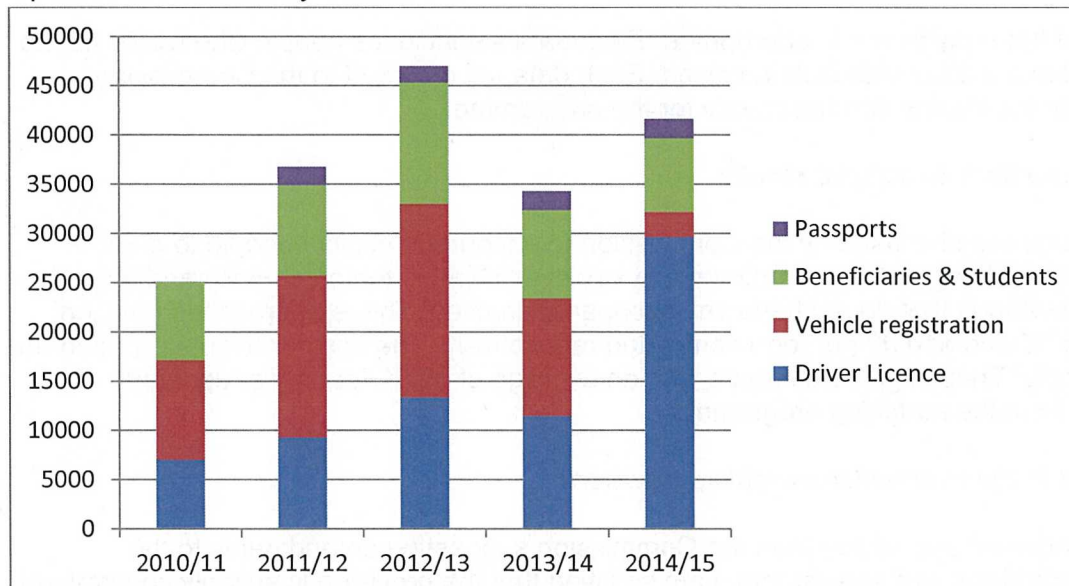
1.4 Programme results

Success for this programme is measured by the number of people who become enrolled or update their enrolment details in response to the invitations sent out. These successes are illustrated by the graphs below.

New Enrolments by Source ^{1 2 3}



Updated Enrolments by Source



The tables of data are in Appendix A.

¹ Includes provisional enrolment of 17 year olds.

² People are counted for the first match in which they are identified, so if the same person is found in subsequent matches they are not included in the counts for those later matches.

³ Citizenship, which is the last data set to be processed, does not show in the graph because the number of people identified only from that match is too small to show in this scale.

1.5 Programme operation

The programme is generally run two to four times a year, to spread the workload and to have the rolls as up-to-date as possible for general elections.

The files received are processed together in a sequence intended to maximise the benefits from each run. The sequence is:

- Drivers licences.
- Vehicle registration.
- Benefits.
- Passports.
- Student loans.
- Citizenship.

Enrolment Services (ES) match each extract with the electoral database on the basis of surname, given name/s and date of birth.

Records that match are checked for addresses that have been updated. If it is a new address the individual will be sent an invitation to update their details.

Records that are not matched are used to send an invitation to enrol. ES sorts these to ensure they do not send multiple invitations to an individual.

The roll is updated only if a positive response to the invitation is received.

1.6 Programme Authorisation

This programme was authorised by the Electoral Amendment Act 2002 (2002 No 1) which inserted section 263B in the Electoral Act 1993 and operation started that year. Passports were added in 2011 by the Electoral (Administration) Amendment Act 2011 (2011 No 57). The statutory responsibility was transferred from the Chief Executive of New Zealand Post to the Commission by the Electoral (Administration) Amendment Act 2011. In 2012 the Information Matching Agreement was amended by a Novation Agreement to reflect that change.

The Electoral Commission uses the Enrolment Services (ES) to process these five matches. The ES was previously known as the Electoral Enrolment Centre. The ES was transferred from NZ Post to the Commission in 2016. This transfer was provided for in the Novation Agreement.

The specific provisions are:

- | | |
|--|------------------------|
| • s263B(4)(a)(i) | beneficiaries. |
| • s263B(4)(a)(ii) and s263B(4)(a)(iii) | students. |
| • s263B(4)(c) | driver licences. |
| • s263B(4)(b) | vehicle registrations. |
| • s263B(4)(d)(i) | new citizens. |
| • s263B(4)(d)(ii) | passports. |

INZ/MoH Publically Funded Health Eligibility Programme (Immigration Act 2009, section 300)

2.1 Programme objectives

The Ministry of Health (MoH) conducts a match with Immigration New Zealand (INZ) under section 300 of the Immigration Act 2009 to determine an individual's eligibility for access to publically funded health and disability support services.

2.2 Recommendation

I recommend that the authorities conferred by section 300 of the Immigration Act 2009 should be continued without amendment.

2.3 Programme assessment

Financial cost/benefit and other outcomes

The programme is a cost effective approach to identify people who Public Health Organisations (PHOs) are claiming funding for, but who are not eligible for that funding.

The MoH estimate the programme costs \$62,000 per annum to operate. The MoH estimate that payments relating to people not eligible for funding amounting to approximately \$5,000,000 have been identified, and a further \$1,090,000 in payments relating to people who were eligible but overseas for more than 12 months. Savings from the programme result from stopping future payments to PHOs rather than from recoveries of past overpayments.

Compliance/operational difficulties

No compliance issues or operation difficulties with this programme have been identified.

Scale of matching

The scale of the programme is appropriate. INZ ensures that only the necessary data is provided to the MoH.

Alternative methods to achieve results

No alternative methods have been identified. The process operates as a 'backstop' to catch instances where the PHO has enrolled a person who is not eligible.

Amendment to the information matching provision

I have not received any advice from the MoH suggesting changes to the provision authorising this programme are needed. I am satisfied that the provision is suitably constrained and does not require amendment.

2.4 Programme results

	2011/12	2012/13	2013/14	2014/15
Records sent for matching	76,000	470,349	1,051,181	0**
Records matched	52,530	329,888	734,739	0**
Notices of adverse action	1,903	9,115	716*	15,328
Successful challenges - wrongly matched	2	2	5*	216
Successful challenges - error in application of eligibility criteria	61	187	11*	214

* at 30 June 2014, the majority of notices were still to be sent out.

** No new records were sent for matching while MoH dealt with the matches returned in June 2014.

2.5 Programme operation

MoH receives Enrolment Registers from PHOs. These lists of patients support the PHOs' claims for public funding.

MoH selects records either from particular providers to enable a review of the capitation funding provided to those practices ('Schedule 1' matches), or randomly selects them from across all PHO Enrolment Registers ('Schedule 2' matches).

INZ matches the records for MoH and returns any relevant immigration information. MoH then filters the matched records according to various eligibility criteria. MoH sends letters to people who appear to be ineligible for the public funding to give them the opportunity to provide evidence of eligibility. This constitutes notice of adverse action under section 103 of the Privacy Act 1993.

If the patient is not able to provide evidence of eligibility, MoH advises the PHO and requests that the PHO remove the ineligible person from the Enrolment Register and make no further claim for capitation payment for that person.

2.6 Programme Authorisation

This programme is authorised by the Immigration Act 2009, section 300.

Appendix A: Individual Match Results

Driver Licence	2010/11	2011/12	2012/13	2013/14	2014/15
Records compared	1,228,389	935,560	934,276	896,577	1,605,462
Invitations to enrol/update sent out	189,132	146,970	158,923	164,210	320,939
Enrolments (new and updated)	23,991	26,466	28,915	30,340	61,456
Average cost per enrolment	\$4.35	\$4.01	\$4.04	\$3.87	\$3.73

Vehicle Registration	2010/11	2011/12	2012/13	2013/14	2014/15
Records compared	969,696	1,316,722	1,232,251	1,085,848	1,258,206
Invitations to enrol/update sent out	83,180	142,410	157,908	115,010	36,402
Enrolments (new and updated)	14,990	25,736	26,060	18,494	4,172
Average cost per enrolment	\$3.31	\$4.04	\$4.42	\$4.32	\$6.22

Beneficiaries and Students	2010/11	2011/12	2012/13	2013/14	2014/15
Records compared	448,305	659,980	640,591	565,305	534,375
Invitations to enrol/update sent out	83,682	110,081	138,485	112,770	94,294
Enrolments (new and updated)	14,729	18,651	21,170	17,763	15,449
Average cost per enrolment	\$3.38	\$4.30	\$4.73	\$4.55	\$4.31

Passports		2011/12	2012/13	2013/14	2014/15
Records compared		413,196	372,194	377,198	430,931
Invitations to enrol/update sent out		23,207	21,251	23,019	24,065
Enrolments (new and updated)		4,513	3,135	3,915	4,344
Average cost per enrolment		\$3.82	\$4.93	\$4.23	\$4.39

Citizenship	2010/11	2011/12	2012/13	2013/14	2014/15
Records compared	10,600	71,971	23,041	57,208	32,188
Invitations to enrol sent out	437	788	863	459	519
Enrolments	64	104	100	106	90
Average cost per enrolment	\$9.17	\$8.85	\$7.98	\$6.87	\$8.85

New and Updated Enrolments by Source

Enrolments	2010/11	2011/12	2012/13	2013/14	2014/15
Driver Licence	17006	17210	15579	18901	31838
Vehicle registration	4837	9272	6400	6515	3127
Beneficiaries & Students	6813	9499	8849	8833	7981
Passports	0	2632	1445	1959	2375
Citizenship	64	139	100	106	90

Updates	2010/11	2011/12	2012/13	2013/14	2014/15
Driver Licence	6985	9256	13336	11439	29618
Vehicle registration	10153	16464	19660	11979	2567
Beneficiaries & Students	7916	9152	12321	8930	7468
Passports	0	1881	1690	1956	1969

For previous results see the August 2011 review.

Appendix B: Background to Information matching

Information matching involves the comparison of one set of records with another, usually to find records in both sets that belong to the same person. Matching is commonly used to detect fraud in social assistance programmes, or to trace people who owe debts to the Crown, but can also be used ensure people get entitlements as in the case of the unenrolled voters programmes.

Oversight of this activity is important to safeguard individuals and maintain transparency and trust in government. The Privacy Act regulates information matching through controls directed at:

- authorisation – ensuring that only programmes clearly justified in the public interest are approved;
- operation – ensuring that programmes operate within the information matching framework; and
- evaluation – subjecting programmes to periodic review.

Section 106

Section 106 of the Privacy Act requires the Privacy Commissioner to undertake periodic reviews of the operation of each information matching provision and to consider whether:

- the authority conferred by each provision should be continued;
- any amendments to the provision are necessary or desirable.

A periodic review is necessary to assess the ongoing value and suitability of a programme in light of experience operating the programme. A programme may lose effectiveness over time if hit rates have peaked or the wider context has changed.

To conduct these reviews I primarily consider the information matching guidelines set out in section 98 of the Privacy Act. In particular I focus on whether each provision:

- continues to achieve its objective by providing significant monetary benefits or other comparable benefits to society;
- raises concern because of the scale of matching (because of the number of agencies involved, the frequency of matching, or the amount of personal information being disclosed); and
- is operating within the information matching controls in the Privacy Act.