

5 October 2020

Consumer Data Right Project Team
Commerce, Consumers and Communications
Ministry of Business, Innovation & Employment
PO Box 1473
Wellington 6140

BY EMAIL TO: consumerdataright@mbie.govt.nz

Dear Sir/Madam,

Options for establishing a consumer data right in New Zealand

Thank you for the opportunity to comment on the possibility of establishing a consumer data right (CDR) in New Zealand. Whilst we have chosen not to make a formal submission, we would like to make the following observations.

We believe a CDR is potentially a good idea for New Zealand, as a broad concept. We can see how a CDR could benefit consumers in certain industries such as banking, utilities and telecommunications.

We understand a lot of work has already been undertaken by banks in New Zealand and a framework already exists. It seems that utilising this work would be prudent. It would also seem that leveraging off the work that Australia has already done (resulting in the Australian CDR) would be preferable to starting at the beginning for a New Zealand solution.

However, we have concerns about how a CDR would work for our industry (private health insurance) given the sensitivity around personal/health information and the complexities of health insurance, including cover for pre-existing conditions (PECs) which likely limit benefits, such as easily switching products/providers.

We therefore support the Australian approach of determining which sector the CDR should apply to via a designation. We'd be concerned at having a wider regime imposed on industries like ours without a lot more thought given to what was being sought to be achieved and how.

Additional costs also need to be taken into account, particularly with the very large volume of regulation being imposed on financial service organisations currently and over the next few years.

Your faithfully,



Stefan Azzopardi
Chief Finance and Risk Officer
Southern Cross Health Society