

Private conversations provide hi-tech fodder

Who is collecting information and why, asks **Malcolm Crompton**.

IN the hi-tech age people are still a weak link in protecting our privacy. What do Vodafone, Google Street View, Telstra, your bank and even your friends on Facebook have in common?

At least one answer is that they are both your greatest strength and greatest vulnerability in respecting your privacy. And in the information age, a much bigger part of your "privacy" is determined by who is collecting what information about you, what they are doing with it, how it is being used to make decisions about you and with whom it is shared.

In each of the examples personal information was compromised by people. Most of the time human error or lack of thought was the cause rather than any evil or criminal intent or any technical glitch.

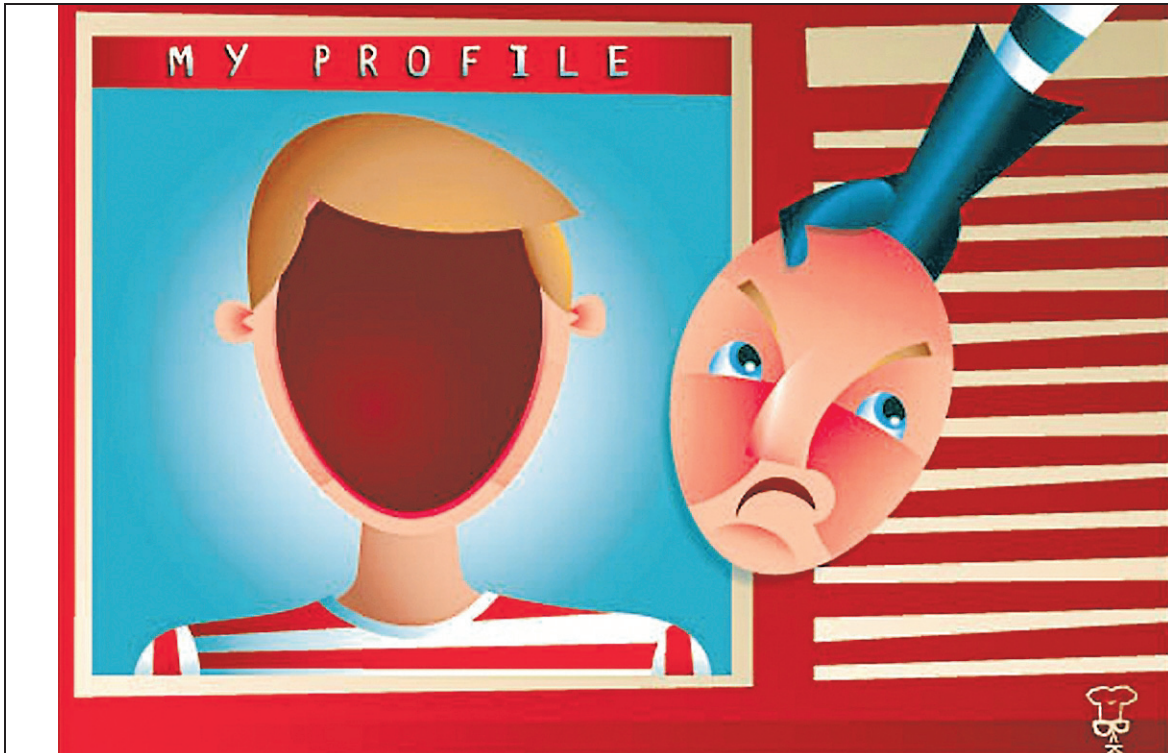
Take your friends on Facebook. What photos or opinions have they shared about you on Facebook that you would rather they hadn't? Or your friends' friends who might also be seeing more than you thought. (Don't forget the discovery recently that Facebook apps makers are gathering, analysing and selling personal information against Facebook policy and evidence that smartphone apps are doing the same.)

Since completing my term as privacy commissioner of Australia, I have maintained a keen interest in how we can gain greatest advantage and enjoyment out of new technologies, but do so safely without our privacy being compromised.

People often think that protecting privacy is only about preventing loss and theft of personal information. But it is much more complicated than that. Privacy is not just about keeping secrets. It is much more about maintaining control over how personal information about ourselves is shared and used.

This raises questions as to how well the organisations that serve us are managing personal information about us when we want service that involves use of that information?

Call centres are a case in point. They are not only there to sell to us, but to provide other services including help with inquiries.



TOUGH CALL: Personal information is compromised by people.

— Illustration by Greg Bakes

Our company, Information Integrity Solutions, has started to explore this question by jointly sponsoring with Global Reviews a pilot study of the call centres of eight major banks in Australia.

Global Reviews is a customer experience benchmarking firm. To conduct the research, it made 160 calls to call centres servicing the largest banks in November last year. In one of the scenarios used, the callers sought advice on how to access their boyfriend's or girlfriend's account to transfer money to pay a bill.

In response, 50 per cent of the time, the operator advised the caller how they could transfer money via phone or internet banking if the caller had their partner's access details.

This is a clear breach of any bank's privacy and security policy. Only 25 per cent of callers were told legitimate ways to access their partner's account, such as being added as a joint account holder.

At first glance these figures are not pretty. However, it is important to interpret the data correctly.

Two immediate conclusions can

be drawn from the results.

First, call centre operators are anxious to provide callers with a solution. Good!

Second, the study shows that when pressed, call centre operators were more likely to acquiesce even though it resulted in breaching privacy rules. Not so good!

Or to put it another way, there is a fine line between providing good customer service and providing too much of the wrong kind of service.

Management response to a "people" challenge like this needs to be nuanced and is unlikely to be found in any "magic bullet" solution. The study implies that a focus on better managing responses to out of the ordinary inquiries might be needed. Closer monitoring, better training, easier referral to higher level staff and, in the worst circumstances, sanctions are needed. Whatever is done, the challenges facing call centre staff such as demanding customers, long hours and monotonous work must be recognised.

However, we should not simply wait for banks and other institutions

to lift their game, hoping that they will find and resolve all the challenges to our privacy.

Security and privacy are a shared responsibility, especially in the ever-changing information society in which we now live.

There are some simple steps that we can take. These include funding out the risks and what we need to do to protect ourselves from them. This may help call centres too. The people calling may have a better understanding of why there are limits to how helpful an operator can be.

More information can be found in the 10 steps to protecting your personal information suggested by the privacy commissioner at privacy.gov.au/news/paw#ten_steps. The research report is online at iispartners.com/Publications/index.html#Other2010.

Malcolm Crompton is managing director of Information Integrity Solutions (iispartners.com) and was privacy commissioner of Australia from 1999-2004.

Energy sell-off a bad deal for consumers

Flogging off profitable assets makes no sense, writes **Kellie Tranter**.

THE NSW energy sell-off shenanigans make you wonder whether the possibility of a hung parliament in March caused the energy privateers to hit the panic button and make sure the privatisation "reforms" were rammed through. Could it be that NSW retaining its AAA credit rating was contingent upon the privatisation of the assets taking place, rather than on whatever money NSW derived from the sale?

The voluble Barry O'Farrell rants about the way the deal was done and the price paid rather than at the sell-off itself. Little wonder he sounds disingenuous when privatisation has always been high on the Liberal

agenda. If government provides a service it shouldn't make a profit. It should charge a price that covers the cost of providing the service and a bit extra to ensure the service will continue to be provided.

Privatisation of an essential service, on the other hand, focuses on return on investment. Investment capital seeks interest or dividends, and merchant capital seeks profit. Their objectives are best served if the service is provided at the cheapest possible cost but charged for at the highest possible price.

The push for energy privatisation over the past 20 years (Wollongong University's Sharon Beder is a terrific source) makes you wonder whether Australia hasn't signed some sort of structural adjustment program no one bothered to tell us about. Essentially, it runs from the establishment of the National Grid Management Council in 1991,

through numerous COAG meetings reaffirming government commitment to energy reform and directing energy policy leadership, and ultimately to a COAG expert group in 2006 recommending full privatisation as quickly as possible.

Treasurer Eric Roozendaal concedes that although the sale is worth \$5.3 billion, the proceeds have to pay for the \$2.3 billion Cobar coalmine, which the privateers demanded and which aims to supply power generators with coal at prices far below the export market price. A good deal for the generators, or those who own their output.

The end result of the sale seems to be that for a paltry \$3 billion the state has lost a substantial source of recurrent revenue. But the people of NSW have been left with public ownership of ageing assets that need to be upgraded or replaced.

If, as Premier Kristina Keneally

says, the NSW government is spending more than \$9 million a day maintaining and upgrading the state's power supply, and over five years will spend \$17.9 billion on electricity infrastructure, where's that money going to come from now?

Last year the NSW Auditor-General reported that the combined after-tax profit of NSW electricity agencies was \$1.2 billion compared with \$847 million in 2008-09. Electricity entities' distributions to the government were \$1.4 billion, up \$200 million. With that sort of return providing a source of funding for maintaining and upgrading our energy systems, how can Labor explain the midnight fire sale?

Kellie Tranter is a lawyer, writer and independent candidate for Maitland at the next NSW state election.

Topics today



Today's fact

Melbourne Age editor James Harrison made the first practical refrigerator system in 1855.

Today's word

Pidgin: simplified language containing vocabulary from two or more languages, used for communication between people not having a common language.

It happened today

From our files – 1960: Newcastle should have an independent, aggressive television station, the chairman of directors at TPN Ltd told an inquiry yesterday.

Today in history

- 1535:** King Henry VIII assumes title of Supreme Head of the Church in England.
- 1778:** Captain James Cook arrives in the Sandwich Islands (later Hawaii, where he was killed).
- 1797:** James Hetherington, a London haberdasher, is fined for wearing his newest creation – the top hat.
- 1892:** A Springfield, Massachusetts, magazine called *Triangle* publishes the rules for a new game – basketball.
- 1900:** Bubonic plague reported in Adelaide after spreading from China to India and Noumea; on January 19, first case is reported in Sydney: 103 die.
- 1971:** Egypt's mighty Aswan Dam is opened by president Anwar Sadat.
- 2009:** US Airways captain Chesley "Sully" Sullenberger ditches his airliner in the Hudson River after a flock of birds disables both the plane's engines. All 155 people aboard survive.

Born today

- Jean Baptiste Moliere**, French dramatist (1622-1673); **Aristotle Onassis**, Greek shipping magnate (1906-1975); **Lloyd Bridges**, US actor (1913-1998); **Martin Luther King**, pictured, American civil rights leader (1929-1968); **Don Van Vliet**, aka "Captain Beefheart", US singer (1941-2010); **James Nesbitt**, Irish actor (1965-); **Greg Inglis**, rugby league player (1987-).



Odd spot

One of Belgium's most popular actors, Benoit Poelvoorde, has called on his countrymen to stop shaving and grow beards to protest a political stalemate that has left the country without a full government for seven months.

Today's text

God is always at work in you to make you willing and able to obey his own purpose. **Philippians 2:13**