

OECD-Canada Technology Foresight Forum
Session 4b
Confidence, privacy and security

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Ottawa, ON

--- Upon commencing on Wednesday, October 3, 2007
at 3:17 p.m.

MR. VICKERY: I think we can
start. We've now just mastered the technology.

We are running about ten minutes
behind, so we are not going to compress this
session.

My name is Graham Vickery, OECD,
by the way. I'm acting as the emcee in the other
room.

We are not going to compress this
session. We are still going to have exactly the
same amount of time for this session as in the
printed program, but we are running about ten
minutes late. So that means we will start ten
minutes later and we will finish ten minutes
later.

I will hand over to our very able
Chair to begin the proceedings.

Thank you very much.

MR. STEVENSON: Thank you and good
afternoon. Welcome to Stream B, as in bigger,
better, boisterous. And the subject is

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1 confidence, privacy and security.

2 We are very fortunate to have a
3 very fine panel to discuss these issues in the
4 context of the participative web.

5 I was thinking about this event
6 compared to the kinds of things that my agency was
7 doing about a decade ago. I work at the U.S.
8 Federal Trade Commission in the Consumer
9 Protection side of things, and we focus on
10 consumer issues and privacy and security issues.
11 And certainly then the paradigm, of course, that
12 we were looking at is the basic B-to-C consumer
13 transactions.

14 As several of the speakers this
15 morning and otherwise have pointed out,
16 increasingly we see that a lot of the volume of
17 activity on the Internet from a consumer or
18 individual perspective is increasingly in the
19 context of social networking sites a big issue in
20 general. It's a big issue in terms of younger
21 people, teen and tween interactions. It's a big
22 issue in terms of the volume of interactions that
23 cross borders in the use of these sites.

24 And certainly at the FTC this is

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1 an issue that we have looked at as a policy matter
2 in terms of our various conferences, including one
3 called Tech Aid where this was certainly a large
4 issue that was flagged for the upcoming decade,
5 and also from an enforcement point of view where
6 we have brought at least one matter involving
7 social networking, where we obtained a significant
8 fine for violations of the Children's Online
9 Privacy Protection Act.

10 So there are a cluster of issues
11 here that are certainly of importance, both to
12 regulators and business and otherwise. We are
13 going to hear about several perspectives here.

14 We will start with Jennifer
15 Mardosz from Fox Interactive Media, which runs
16 MySpace or is part of the company MySpace.

17 I turn it over to Jennifer.

18 MS MARDOSZ: Thank you very much.
19 I'm very pleased to be here on behalf of Fox and
20 MySpace. And thanks to the OECD for coordinating
21 this event and inviting us to participate.

22 Our approach to online safety --
23 and that's basically what I wanted to cover today
24 -- is really all about conversations like this:

1 getting together with industry, governmental
2 agencies, non-governmental agencies and having a
3 discussion about what is best for implementing
4 appropriate safety procedures and applications on
5 the Internet.

6 As our lives move more and more
7 online from the physical world to the online
8 world, at MySpace what we believe is we've got to
9 look to the time honoured safety ideas from the
10 physical world and transfer them onto the
11 Internet.

12 We've done that. I mean, we all
13 know now some of the challenges that we had
14 previously faced in our physical world. We know
15 how to block a minor from buying pornography at
16 the local mini-mart. We know how to explain to
17 our kids not to talk to strangers at the mall and
18 not to talk to strangers at the park. We even
19 recognize the value of a well-lit community, where
20 our neighbours and law enforcement can keep an eye
21 on what is happening.

22 It's those principles that we've
23 got to work together to transfer onto the
24 Internet.

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1 My job at Fox Interactive is to
2 work closely with MySpace. I have a background in
3 law enforcement and I'm in charge of the global
4 law enforcement program. So we are implementing
5 appropriate safety features and then also working
6 with law enforcement when necessary.

7 This first slide outlines our
8 approach. We basically believe that all of these
9 tenets are important components to an effective
10 online safety program.

11 The first is technology. At
12 MySpace we believe that all of us in the online
13 industry have an obligation to develop processes
14 and procedures to make the Internet a safer place
15 for everyone, especially teenagers.

16 Some of the technology -- and I'll
17 get into more examples in the next slide.

18 One thing that we've been looking
19 at is implementing a software program that we've
20 called Zephyr that will help parents to be more
21 engaged on what their children are doing on
22 MySpace, where if you install it on your computer
23 and your child sets up a MySpace profile, the
24 parent can monitor what age the child says that

1 they are. Then if they change the age, the parent
2 would be notified via the software.

3 So that's an example of technology
4 that we are looking at to help make the Internet
5 safer.

6 Education is obviously a key
7 component and we look very hard at MySpace to get
8 the word out to parents, to our users. We put
9 warnings up on our site when people are uploading
10 content and we remind them what it can mean.

11 We have our safety tips available
12 on every MySpace page so that again people are
13 aware of the potential implications of uploading
14 personal information.

15 Education also, we talk to
16 schools. We have a school administrators guide in
17 the U.S. right now we've sent to 55,000 schools.
18 We are working on localizing that guide as we
19 expand into international territories and to
20 localize that for other countries.

21 And educating law enforcement. We
22 also have a law enforcement guide, where again we
23 are working to localize that for the other
24 countries that we have expanded into.

1 But also educating law enforcement
2 in terms of the functionality of the site. We
3 spend a lot of time, I do personally, reaching out
4 to law enforcement, explaining how the site works
5 and how they can better investigate cases if
6 necessary.

7 I skipped over NGOs. We partner
8 with NGOs quite a lot to make sure that we are
9 communicating with them, getting their good ideas.
10 One of our partnerships is with the National
11 Centre for Missing and Exploited Children in the
12 U.S. That's another great example of how we have
13 taken the physical safety concepts and transferred
14 them onto MySpace.

15 There is a program called the
16 Amber Alert System in the United States where the
17 national centre, when there is a missing child in
18 a community, years ago they would send out notices
19 to community members. They would even put the
20 image of a child on a milk carton that you would
21 buy at the grocery store, to try to get everyone
22 to help find that missing child.

23 So what we have done at MySpace is
24 partnered with them so that we can put amber

1 alerts on MySpace. We have done that now. So if
2 a child were to become missing in a particular
3 community, we can send out that notice and help
4 find a missing child.

5 Public policy is obviously very
6 important and looking at legislation. We
7 obviously support stiff penalties for predators on
8 the Internet, and we work closely advocating
9 certain things, such as not only the actual
10 victimization of a child but the actual grooming
11 of a child.

12 So even that discussion, we are
13 advocating throughout the United States and
14 internationally that that should be a crime as
15 well.

16 In terms of industry relations,
17 conferences like this, as I said, working
18 together, we believe that we can make the online
19 community a safer place.

20 Then international. I mentioned
21 we are expanding internationally. We are opening
22 offices throughout. You can see some of the
23 countries that we have entered into.

24 For example, in Canada, we have

1 approximately 5 million users now. We have opened
2 an office in Canada.

3 As we open offices throughout the
4 country, we are also looking to hire safety
5 personnel to help us localize our safety policies,
6 reach out to schools, reach out to law
7 enforcement. Despite the fact that we are a U.S.
8 based company, we do want to remain cognizant of
9 the local laws and work with the local governments
10 and law enforcement agencies.

11 So our approach at MySpace is we
12 build safety into MySpace features so whatever
13 functionality exists on the site we look at that
14 and say to ourselves: How can we make that safer?
15 What can we do better here?

16 We build safety features into
17 MySpace. Some new safety features, which I will
18 go into some of that in the next slide, and then
19 our partnerships.

20 You can see our guiding
21 principles, where we want to prevent teens from
22 accessing inappropriate content, protect teens
23 from people with bad intentions, provide the tools
24 that empower all members to be safer, and provide

1 support to law enforcement to bring the
2 perpetrators to justice.

3 We basically look at this in these
4 three paradigms: contact, content and
5 collaboration.

6 If we break those down, on the
7 contact side, what we do at MySpace is we put in
8 contact barriers between people over the age of 18
9 and people under the age of 18. And also then our
10 younger users, you do have to be 14 under our
11 Terms of Service to sign up.

12 We, for example, make 14 and 15-
13 year-old profiles default private, which means
14 that you basically have to know someone in the
15 physical world before they can communicate with
16 you on MySpace. They have to know your last name
17 or your e-mail address. So they have to get that
18 independently.

19 We also make it so that the under
20 18's cannot access mature content on the site.
21 For example, the groups, if there's a group or a
22 forum that discusses mature issues, under 18's are
23 not able to access that.

24 We also have e-mail verification

1 for new members. And so what this means is that
2 when you sign up for the service you have to
3 provide a valid e-mail address. And you can't use
4 the service until you receive an e-mail at that
5 valid e-mail address and then respond back.

6 And we think that that provides
7 another level of accountability and also deters
8 potential predators because they actually have to
9 provide some identity information and then it
10 would also be another tool for law enforcement to
11 track someone down if necessary.

12 We have a program that we've
13 instituted in the U.S. called Sentinel Safe which
14 has received a lot of media attention. You may
15 have heard about it. Right now it's deployed only
16 in the U.S. but we are looking to work with other
17 countries to see if we can implement it in some of
18 the other countries.

19 And basically how it works is we
20 have partnered with a private company called
21 Sentinel Tech where they develop the first
22 national searchable database of registered sex
23 offenders in the U.S. of whom there's
24 approximately 600,000.

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1 And I realize there's different
2 privacy laws in the various international
3 countries but at least in the U.S. what we are
4 able to do is take that national database now and
5 search it and look for identifying information and
6 try to match that up with any of the MySpace users
7 and then delete them and block them from accessing
8 the site in the future.

9 And obviously what can be done,
10 one piece of legislation that we support strongly
11 in the United States and in the other countries is
12 to make convicted sex offenders have to register
13 their e-mail addresses. In the United States when
14 a sex offender goes to prison and then when they
15 get out they have to -- they're required by law to
16 register their home address, their physical
17 address.

18 And we are advocating that they be
19 required to also register their e-mail address and
20 IM handles so that there is more accountability.
21 And if they do lie on the internet there would be
22 consequences up to 10 years in jail if they did
23 lie about it. And then also enhanced sentencing
24 and enhanced charging.

1 I can tell I'm over my time, so I
2 will fly through the last slide. And these are
3 some examples of what we're doing on the content
4 side. We have a team of hundreds and hundreds of
5 people that actually review each and every image
6 and video that is uploaded to our site to make
7 sure that it complies with our terms of use.

8 We also hash known bad images. So
9 when they see a bad image we hash it so that it
10 can't be uploaded again. We block bad URL's. We
11 also review the group images. But those are also
12 subject to peer review by the group founder.

13 An important aspect of our site is
14 the report abuse buttons. And so we make it
15 really easy for our users to report an
16 inappropriate image or an inappropriate video. We
17 make the button right there.

18 And then we monitor the profiles
19 and we'll delete them for violations. And then
20 this final thing is the CAT team, it's a Content
21 Assurance Team that we have that monitors the site
22 and looks for underage users. And we'll delete
23 them if we find that kids are on the site lying
24 about their age.

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1 So, in closing, I just want to
2 say, again, thank you for having us here. We're
3 delighted to be involved in this discussion and
4 again, we think that working together with
5 industry, law enforcement, parents, schools, we
6 can all work together to make the internet more of
7 a brightly lit neighbourhood for our children.

8 Thank you.

9 --- Applause/Applaudissements

10 MR. STEVENSON: Thank you,
11 Jennifer.

12 I'll now turn it over to Gary
13 Davis from the Irish Internet Data Authority to
14 give one regulator's perspective on these issues.

15 MR. DAVIS: Thank you very much,
16 Hugh.

17 And I'm honoured actually to have
18 the opportunity to offer the Irish perspective on
19 some of these issues at this forum. And thank you
20 very much to the OECD for inviting us along.

21 It was put to me actually by a
22 journalist over lunch hour that in fact there's no
23 room for privacy at all on the participative web;
24 so, in fact probably the easiest thing to do would

1 be to close social networking sites and we won't
2 have a problem at all. But I don't think that's
3 really a realistic view. And actually not one I
4 would tend to support.

5 I don't come to these sort of
6 issues with an initial negative view as perhaps
7 maybe I should do as a privacy regulator because
8 clearly these sites do push at the boundaries of
9 what we all understand up till now to be a
10 person's individual space.

11 But in some respects I have a view
12 that maybe our boundaries are skewed a little bit
13 by our own perspectives and our own generation.
14 But we'll try and step through them maybe in a
15 reasonable perspective.

16 The issues as I see them going
17 forward and I suppose one has to also understand
18 that as privacy regulators we're trying to grapple
19 with these issues as they evolve. Social
20 networking sites and other such phenomena, such as
21 content sharing sites, blog sites, various other
22 peer-to-peer sites are emerging and growing almost
23 exponentially in terms of their user base.

24 The types of issues that they are

1 creating give us cause to stop and think, well,
2 can we fix or fit our current legislative
3 infrastructure to those spaces? By and large we
4 can actually but here and there it does cause us a
5 certain amount of issues.

6 What's the biggest issues I see in
7 terms of the information that's placed on sites
8 such as these? It's that of consent. Consent
9 will arise in many respects.

10 It will arise for a mature user in
11 terms of the information that is provided in a
12 very clear manner by the sites themselves in terms
13 of what happens to their data, who is going to
14 access it, who is it going to be sold on to, what
15 are their choices? That's a clear enough thing
16 which most of us can, you know, read the privacy
17 policies and come to a view on.

18 There is a particular issue there
19 of consent in terms of underage users. And we do
20 have sites that are extensively used in Ireland
21 whereby maybe it is the generational issue that I
22 allude to in the third point there, where some of
23 the content on them is just plainly shocking even
24 to somebody of my, well, relatively younger years.

1 And I can't think that any 14 year
2 old, 15 year old or even in some cases 13 year old
3 can be consenting in a reasonable manner to
4 putting that information up in a way in which one
5 could say that, yes, they read the terms and
6 conditions and yes, they understood what they were
7 doing. That's a challenge for us all and one
8 which we'll come to.

9 The other issue is consent in
10 relation to third party data. And that's the
11 issue which we see a lot of here. And so maybe
12 some of the presentations we might listen to is
13 about how the user is empowered, how the user
14 knows what they're doing, the warnings which are
15 given in relation to uploading their content. But
16 a big issue arises in relation to third party
17 content.

18 So, a picture of a teacher in a
19 classroom that's taken using a mobile phone with a
20 camera on it, and is uploaded onto one of these
21 sites and then used as a way in which to I suppose
22 bully that teacher from all the children in their
23 class, we have seen that in Ireland. And
24 certainly there's no consent of the teacher for

1 their image to go up there.

2 And what rights does that person
3 have?

4 Well they do have rights and it's a way of
5 articulating them.

6 I suppose the issue as I mentioned
7 there in terms of who controls the data, and there
8 was some element of a discussion of it earlier. I
9 did catch some of it even though I came in a
10 little bit late this morning, as to who's actually
11 ultimately responsible for the content of these
12 sites. And there seems to me to be some element
13 of what we might term in Ireland, shimmying on the
14 issue as to whether or not you're actually
15 responsible.

16 But from our perspective in terms
17 of the law, if you provide the platform, you're
18 responsible for the content on the site. You're
19 responsible for any content that anybody uploads.
20 And you need to be able to stand over that
21 content, not that, sorry, it was a user who put it
22 in, it was there and you know, it's nothing to do
23 with us. It's there. If you're going to provide
24 a service well then you're going to have

1 responsibility for it.

2 That line becomes a little bit
3 more blurred as we get into some elements of
4 blogging sites. But however we'll focus on what's
5 more easily dealt with.

6 The generational issue is one that
7 I referred to. And it's one in which it would be
8 easy for us to have the response that we had, that
9 I maybe articulated at the start there which is we
10 ban them all because what's on them is actually
11 outrageous and how could people be uploading some
12 of that type of detail. But that's a knee-jerk
13 response which actually leads me on to the next
14 point which is disproportionate media response.

15 We see that in Ireland actually in
16 that often these sites will get coverage in the
17 media. But it's only in response to some issue at
18 a point in time. And usually the type of response
19 that you will get is that you know what's going on
20 them should be stopped. And they should be banned
21 from going into schools.

22 So, there's no school in Ireland
23 currently that will allow access to a social
24 networking site from within the school computers

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1 because they've deemed that's the best way to deal
2 with the problem which is actually to shut off
3 access to it.

4 I might suggest and maybe I'll do
5 it later, that education might be a better way of
6 informing all the pupils in the school. But they
7 decided the best way was to ban all access.

8 That's in response -- so you're
9 not actually getting a balanced debate at least in
10 Ireland in relation to the good and the bad of
11 these sites. And certainly there is good. But
12 it's not for me to come along here and articulate
13 that. We have two sides to do it for themselves.

14 And then I suppose the big issue
15 is what use the site is actually making in
16 relation to the personal data that I supply to
17 them. And I suppose for a while that's been the
18 elephant in the room that nobody wanted to address
19 because the sites were growing, their user base
20 was developing, but how were they going to be
21 financed?

22 They're not -- and I'll move on,
23 they're not as Mozelle has said recently at an
24 event I was that, public utilities. And maybe you

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1 know, we have to have a think about that in terms
2 of how we view them from a privacy perspective.

3 So, what are the confidence issues
4 then because I say that as certainly what we're
5 trying to do here. The main issue is that
6 identifiable persons on these sites have rights.
7 And it doesn't really matter who put up the
8 information.

9 If I put up the information about
10 myself I have rights under data protection law.
11 If somebody else put it up about me I also have
12 rights.

13 I mightn't know where the report
14 abuse button is by the way, which is an issue. If
15 I'm not a user on the site and somebody's put up
16 information about me, the report abuse button
17 isn't that much good to me.

18 And if these rights were asserted
19 by a person, whether it be me as a user or a third
20 party, what actually happens within the companies
21 themselves, how do they respond to my assertion of
22 my rights to say, there's that about me being
23 processed that's incorrect or which I didn't
24 consent to have up?

1 So, the picture of the teacher in
2 the classroom, does it go into some system and you
3 know, they'll look at it in a couple of weeks time
4 and you know, if they have a think about it they
5 might get back to it? Or do they actually have
6 appropriate complaints handling mechanisms in
7 place that will freeze the images or freeze the
8 information pending an investigation into it?

9 And certainly there was one site
10 which we approached in Ireland a couple of weeks
11 ago and it took a full three weeks for anything to
12 happen. At various points during that process we
13 got some great automated responses to our concerns
14 which certainly reassured us no end that something
15 was happening.

16 But I suppose thankfully from a
17 privacy perspective the trend is upwards in terms
18 of sites actually listening to privacy concerns.
19 And the best corollary which I could draw on this
20 space is what has happened in relation to the
21 retention of search engine data. A debate arose
22 in that area and it's going to come in this area
23 as well and hopefully we're all well geared up for
24 it, in relation to how long search engines hold

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1 search data for.

2 We have gotten down from a period
3 of indefinite holding of that data to at the last
4 count 13 months. That is where privacy has
5 actually been used as a point of commercial
6 advantage. And we'll continue to see that and
7 we'll see it in this space now as well because are
8 articulating it.

9 I suppose for the sites themselves
10 and I think they recognize it, confidence will be
11 destroyed by a single incident or issue and people
12 will move to another site. And they are fast
13 developing.

14 So, the points to be addressed
15 then, upfront information to users is patchy in
16 some areas in relation to sites. I'm not thinking
17 of any in particular but certainly there are some
18 sites which could be better in terms of giving
19 people full information in relation to what's
20 happening to my information, what choices do I
21 have, what do I do if I have a problem?

22 And there are certainly some other
23 entities in the space, you know -- zero minutes
24 left, that's fine -- who are deliberately

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1 establishing, I suppose from our perspective to
2 try and avoid some jurisdictional privacy issues.
3 An issue which we might hear sometimes in Europe
4 is well we're not actually based in Europe so, you
5 know, we don't have to worry about what the rights
6 of European users are.

7 But, you know, by and large that
8 issue is moving along because thankfully users are
9 getting better at articulating their own rights.
10 And as I said earlier, site owners have
11 responsibilities to all identifiable persons.

12 The challenge then as I see it in
13 relation to the younger age group more so, is to
14 actually work together with the sites insofar as
15 we can and other voices in the areas to try and
16 educate users. Because certainly there is a
17 disconnect somewhere in relation to the data
18 that's being put up by people in that younger age
19 category and what our perspective would be is what
20 right-minded people might put up about themselves.

21 So, there's a challenge there in
22 terms of trying to educate them a bit better,
23 trying to educate the operators also but you know,
24 they're here, they're talking. I congratulate

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1 them on that. They're certainly out front and
2 dealing with us which is a positive and not
3 something that you wish to knock them back on.

4 And I suppose ultimately it's
5 about finding the right balance between freedom of
6 expression and other rights, specifically privacy.

7 So, and I am definitely finished
8 there (laughter). So, the standards are
9 communicating and empowering the user. If the
10 user knows what's happening to their data and can
11 take an informed choice in relation to it well
12 then I think we've gone a long way towards meeting
13 a lot of the privacy concerns.

14 A complaints handling mechanism
15 which where if I make a complaint in relation to
16 my data somebody will do something about it and
17 quickly and if somebody on the site is misusing
18 personal data or has uploaded that picture of the
19 teacher in the classroom well then there must be a
20 clear penalty for them which I think in most
21 cases, the biggest one for them is to be removed
22 from the site itself.

23 Thank you very much.

24 --- Applause/Applaudissements

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1 MR. STEVENSON: We turn now, from
2 Facebook we have a pinch hitter, Mozelle Thompson,
3 former Commissioner of the Federal Trade
4 Commission, former Chair of the OECD Consumer
5 Policy Committee to talk to us about Facebook's
6 perspective.

7 MR. THOMPSON: Good afternoon.

8 As Hugh pointed out that I'm sort
9 of a last minute substitute, that Chris Kelly
10 wanted to be here but he had some things back in
11 Palo Alto. Of course that didn't stop him from
12 asking me to do it even though I was giving a
13 speech in Palo Alto yesterday and I had to fly the
14 redeye out here to come out and see you.

15 But that being said, I'm happy to
16 be here, simply if not for any other reason, I get
17 to see a lot of old friends from the OECD and
18 people who actually do a lot of work with the OECD
19 and that's good.

20 And what I thought I might begin
21 by doing is talking to you a little bit about a
22 change in perspective. Hugh began by talking a
23 little bit about 10 years ago how we began to look
24 at the internet and how people used the internet.

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1 And I thought of it more as a top-down approach, a
2 more binary approach of information or no
3 information.

4 And what's happened now especially
5 when we talk about Web 2.0 and sites like MySpace
6 or YouTube or Facebook is the more horizontal
7 growth, the real interactivity that we had talked
8 about for a long time and we'd always hoped would
9 get here.

10 But in that same vein it presents
11 new challenges, not only to how we respond to
12 users and the public and how companies act but
13 also for regulators who it may challenge their
14 traditional notions of how they think about
15 information sharing.

16 The one thing I will say and I
17 think that my colleague from MySpace can agree to
18 this is that at the very least we have new
19 technology that empowers users to exercise more
20 control of information. And what we have found is
21 that there are a lot of people, most people, who
22 don't want to be totally anonymous. And in fact
23 they want to have technological tools that will
24 allow them to share information with people.

1 Then it brings the new challenges
2 of who do they share it with and under what
3 circumstances and as the Commissioner said, do
4 they understand what information they're sharing
5 and the context under which they're doing it.

6 And to answer some of those
7 questions, this is really the cutting edge of how
8 we think of information, this strategic management
9 of information by individuals. And where we spent
10 a lot of time with a lot of our colleagues,
11 including folks from MySpace and others, we all
12 work together with industry and governments and
13 users to try to talk about what the future is
14 going to look like and try to begin to define what
15 we think might be appropriate and inappropriate
16 behaviour. Because one thing I will say is that
17 companies like ours stand out here and we're in
18 front and we're talking to you; there are a lot of
19 companies who are not and may not be quite as
20 transparent about what they do or how they do it.

21 But let me talk a little bit about
22 Facebook. How many people actually participate in
23 a social networking site? Don't be shy, you know,
24 it's okay, you can come out. Okay.

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1 You know and for me, you know I
2 consider myself one of the old people on Facebook,
3 that one of the things that's interesting is that
4 there are sites that are very segmented, that are
5 geared towards children and some that are geared
6 to a little older.

7 But one of the things we found at
8 Facebook, we started as primarily a college and
9 university-based site and that we have grown
10 exponentially so that our demographic looks a lot
11 different. The fastest growing places on Facebook
12 are people over 24 and people who are not in
13 colleges and universities, but are parts of
14 regional networks.

15 And so we are here in Canada, the
16 second largest regional network is in Toronto.
17 Canada is an interesting example, over 10 per cent
18 of the population of Canada is on Facebook and
19 people use it for all sorts of different reasons,
20 not only to talk with the people who live in their
21 neighbourhood or their interests, people who have
22 the same football interests as them, but also
23 politicians who want to communicate with
24 constituents, people who want to get involved with

1 local causes and charities.

2 And it is very interesting because
3 that is consistent with how Facebook believes its
4 philosophy runs. It is a real-name culture, it is
5 not for people who are anonymous, we take steps to
6 make sure of that because we think that people who
7 know people in their community are people who are
8 more likely to participate and more likely to
9 report people who are engaged in abuse or other
10 types of inappropriate activity.

11 It is also based on real life. As
12 I said, it is horizontal. So you connect with
13 people who you want to connect with. And part of
14 the architecture is we have segmented communities.
15 Even though I have a Facebook profile that is not
16 open to everybody, you can all be my friend for
17 today.

18 How many of you are on Facebook?
19 Okay. Would it help for the rest of you to walk
20 you through a little bit of Facebook and show you
21 what it does? Okay.

22 This is the opening page of
23 Facebook. Everybody who is a member of Facebook
24 has a this item here called "News Feed," which is

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1 your own personal newsletter, that is how I view
2 it. The information here really deals with people
3 who are your friends and it tells you what they
4 want you to know, whether they have added some
5 pictures, are there someplace and what they do.

6 Your profile, this is mine..
7 Okay, what is the answer, tech guy? I don't know,
8 so much for your wireless network. Where is Mr.
9 Simpson when you need him?

10 --- Audio feed disconnected

11 Well, let me keep talking while he
12 is working.

13 One of the unique parts about
14 Facebook is we provide robust privacy tools. And
15 what is interesting from a recent trip a couple of
16 weeks ago to Europe in talking to various privacy
17 commissioners, some people may think that we don't
18 provide enough, other think that we provide too
19 many, it might be confusing to people.

20 In any event, one of the things
21 that is a hallmark to what Facebook does is it has
22 an array of privacy settings so that -- okay,
23 should I try it again or leave it to you -- that
24 allows you to decide who is that scary guy, what

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1 kind of information you want people to see.

2 So, for example, these are my
3 networks, you know, I went to Columbia and
4 Princeton and I know people at Facebook, and some
5 people put a lot of personal information, I don't.
6 If you want to know that you have to buy me a
7 drink. And as we continue down the page, here are
8 some of my friends. I have information, contact
9 information, I have background information about
10 work and education and some of the groups that I
11 am in. Not everybody can see everything on my
12 page. I get to decide, based on this part up here
13 when we go to privacy, who gets to see what.

14 What we have here is in each
15 section of my page I can decide how restrictive I
16 want those settings to be. And what you will see
17 here is a barcode, it actually tells you whether I
18 am more restrictive or less restrictive. This is
19 less, this is more. And you can edit that by
20 determining, for example, on my basic profile
21 whether all of my friends and all of my networks
22 can see it, only some of my friends, only my
23 friends and only my networks and all of my
24 friends. So you can get to be very granular with

1 this.

2 Now, one of the challenges that we
3 have is what are our defaults? Are all our
4 defaults open? Some of them are not quite as
5 transparent. When I say that, for people who are
6 under 18 we have certain kinds of defaults that
7 you can't get around. If you are over 18, for
8 example, you cannot prowl high school networks
9 looking for people, you cannot search for people
10 under 18. There is a hard firewall there, unless
11 you know a particular person. We don't want to
12 stop a parent from befriending their kids, okay.

13 But this is some of the challenges
14 that we have. So we are probably more granular
15 about this and people find this very attractive.
16 And, in fact, I will tell you something that is
17 not reported very often, is that our experience is
18 that this is something that people actually like a
19 lot. Somewhere between 20 and 30 per cent of our
20 users actually change default settings and come in
21 here and actually change their privacy settings,
22 some more open, some less open.

23 Now, to give you some background.
24 On most websites and studies I have seen you are

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1 lucky if you get more than a quarter of a per cent
2 actually visiting a privacy policy. So what this
3 showed me was people actually care about this.

4 And so I want to answer your questions, thank you.

5 --- Applause

6 MR. STEVENSON: Thank you,
7 Mozelle, for being our friend today, we appreciate
8 it.

9 MR. THOMPSON: Not you.

10 --- Laughter

11 MR. STEVENSON: Oh. Well, we move
12 onto John Lawford from the Public Interest
13 Advocacy Centre to give us his views about the
14 concerns that he has on the necessity of social
15 networking.

16 Thanks.

17 MR. LAWFORD: Thank you very much.

18 The comic, if you can't read it,
19 says this is a bank robber in a bank saying, "You
20 know, you can do this just as easily online."

21 That is the teller and that is the viewpoint that
22 I am bringing today, it is from the user point of
23 view from a privacy perspective. And this is the
24 only security slide I have, but you will see what

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1 I mean when I say that security and privacy are
2 linked.

3 All right, it has been 10 years
4 since the first go around here in Ottawa and out
5 of that OECD meeting we ended up with what I will
6 call was Privacy 1.0 in terms of acts, in Canada
7 at least, the PIPEDA legislation.

8 We think the Act is very good, but
9 it is definitely sort of a first light version of
10 legislation. And there has been nothing in the
11 last two or three years that has really brought
12 this to light more than social networking sites,
13 which I will talk more about in just a few
14 minutes.

15 But Web 2.0 is really putting
16 stress on this vision and on the OECD principles
17 from 1980, which were reflected in the PIPEDA Act.
18 What we really see at this time, I think, is an
19 externalization of the costs of privacy to users.
20 And I say that because we are starting to see huge
21 consumer problems in the areas that I work in with
22 identity theft, with spam and with Spyware and
23 they all linked.

24 The link that I see in working in this area

1 is personal information loss, personal information
2 selling and personal information sharing. And
3 that's where the majority of these problems come
4 from. The problem is that the Privacy 1.0 laws
5 just can't keep up.

6 At the moment we are at an
7 historic point -- and hopefully the OECD can turn
8 their minds to this -- where Google, for example,
9 is now saying that we need to have international
10 rules, a set of rules for privacy across the
11 entire world. That is a huge development but it
12 is one that is being led by a private company,
13 because these are the people who are in control of
14 our personal information at the moment.

15 That is a problem because, as I
16 said, we are seeing all these costs of the way
17 personal information is being handled.

18 In my view and in the view of
19 PIAC, consent is not working any more. It is not
20 adequate. We need control of our personal
21 information as users.

22 It is not just enough to have a
23 Privacy 1.0 act; we need a Privacy 2.0 type act.
24 That is going to require two things to be done.

1 First of all, that citizens get
2 involved in helping to design a new version of
3 privacy, a new understanding of privacy because I
4 do accept, as the MySpace and Facebook people say,
5 that the younger users are more comfortable with
6 putting out certain details of their life on the
7 Internet.

8 People of all ages are happy to
9 put certain details on social network and
10 websites, and they are perfectly willing to give
11 certain information to certain retailers to use
12 for certain transactions. But they are not
13 willing to have that shared across companies and
14 for other purposes necessarily.

15 The other thing that we need to do
16 is involve governments in this. If we leave it to
17 companies to set the standard, what we are going
18 to get is a standard which looks a lot like
19 Privacy 1.0 but is actually perhaps even the
20 lowest common denominator version and will be
21 voluntary. It will not be legislated.

22 To this end, I would like to
23 outline some of the rights that I think are
24 missing in the Privacy 1.0 legislation and that

1 need to be in a new upgraded version of privacy
2 with consumers and individuals having more control
3 over their personal information.

4 One thing that came up in Canada
5 was a case before the Privacy Commissioner where
6 someone was trying to get a plain vanilla bank
7 account, which was just a regular savings account,
8 deposit account, and the bank was asking them to
9 provide more information than they wanted to for a
10 credit check. The person was refusing and the end
11 result of that investigation was that you should
12 be allowed to have a plain vanilla account.

13 Plain vanilla transactions, what I
14 mean by this is there should be a right in the
15 user to conduct an electronic commerce transaction
16 with a company and not provide all that extra
17 information which is not required for the
18 transaction.

19 At the moment there is a provision
20 in our legislation that says that that is not
21 required and that you can refuse the transaction.
22 But your choice is between taking the transaction
23 or not taking the transaction.

24 What we need is a right where

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1 companies are required to give you the product or
2 service with the minimum personal information
3 required or the more privacy requesting version,
4 if you like.

5 The second one which we have
6 noticed, and just is the bane of people's
7 existence now, is data breach notification. There
8 have been millions and millions of data records
9 lost in the United States. A choice point, T.J.
10 Maxx and Winners are just two. I think we just
11 had The Gap yesterday or the day before.

12 We need to be told when our
13 personal information is lost by companies. This
14 is not going to happen by voluntary guidelines.
15 We feel that the issue needs to be brought forth
16 in a new version of privacy law because the
17 incentives for companies are not there to reveal
18 it. Incentive is of course to hide it, minimize
19 it, because it affects share prices. It brings
20 lawsuits.

21 If everyone is on the same legal
22 ground, they will be required to report all these
23 breaches.

24 We will also have a better idea of

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1 how much identify theft is going on. We will get
2 a better idea how much externalization again of
3 this cost is going to users and individuals.

4 Although we haven't fleshed this
5 one out so much, there is some interesting work
6 being done by Ian Kerr at the University of Ottawa
7 on anonymity. I view certain value to anonymity
8 in certain situations, and I think that that needs
9 more study and there would be appropriate places
10 where anonymity would actually be necessary for
11 individuals. Political commentary is one obvious
12 example.

13 We also think there should be a
14 tracing right, and that is you don't know where
15 your personal information goes at the moment.

16 There is a provision in our
17 legislation that says you can ask a company to
18 tell you if they have disclosed the information,
19 but it doesn't go on to require them to tell you
20 the next company and tell you where that
21 information got shared to, and so on down the
22 line.

23 The fact is that information gets
24 put into data brokers' databases and data

1 aggregators and at the end of the day you don't
2 know where that information has gone and you don't
3 know the accuracy of it, and yet it can be used
4 for all sorts of purposes, whether that is
5 government use or use by private parties.

6 We also think there should be a
7 fair and safe way to do authentication. For
8 electronic commerce, of course, you have to
9 identify yourself to make sure that you are not
10 impersonating someone with bank accounts or credit
11 cards, that sort of thing.

12 But lots of times in meetings that
13 we have on authentication, for example, with
14 Industry Canada, there is a request from the
15 credit card companies to develop systems where
16 they ask for more personal information in order to
17 authenticate you.

18 So they are collecting more
19 information and thereby creating more of a data
20 cloud, if you will, on you out there.

21 The last thing is probably the
22 most difficult but probably the most exciting from
23 our point of view.

24 Can we come up with a new way to

1 enforce privacy acts in a Privacy 2.0 type
2 legislation?

3 At the moment data commissioners
4 often don't have powers to investigate or fine
5 people and the end result is companies just ignore
6 them.

7 What we have to do is come up with
8 new tools. I'm not sure what those will be,
9 whether they will be user-generated wikis on bad
10 practices by companies, whether we can have a
11 rating system for companies, again from the ground
12 up, rating different companies' privacy practices.

13 There may be more ways of doing
14 this, but we need to research ways to get users
15 involved in punishing companies or in bringing
16 them back into line when they go past the Privacy
17 1.0 or 1.2 acts that are in place in their
18 jurisdiction.

19 I will just close by saying the
20 future, it is up to this organization and other
21 international organizations and domestic
22 governments to come up with new versions of
23 privacy that actually are effective for
24 individuals. If not, we are going to get the

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1 lowest common denominator version coming out of
2 either the private sector or a very weak
3 international agreement, which will not be
4 productive, and we will be stuck in exactly the
5 same situation which we have been here in Canada.

6 The last bullet point: Just think
7 of a future where Yahoo! buys my Second Face.
8 You can laugh but think about it. We've got the
9 world's biggest search engine which has all your
10 searches. It's linked to all your IP addresses
11 you have ever been at, and now they've got all
12 your personal information which has been linked to
13 all the IP addresses that you have ever used on
14 social networking sites.

15 Thank you.

16 --- Applause

17 MR. STEVENSON: Thank you very
18 much to our panellists. I thought those were
19 really provoking thoughtful presentations.

20 We have some time for questions,
21 and I would really encourage folks to step up to
22 the microphones, if you have some questions to put
23 to our panellists.

24 We have two right in the middle

1 here.

2 While you are composing those
3 thoughts, maybe I would just pose the question:
4 One of the things that John just put out there is
5 do we need Privacy Laws 2.0 to deal with Web 2.0?

6 I wonder if any of our other
7 panellists would like to respond to that, and
8 particularly in the context of social networking
9 obviously there are a broad range of issues of
10 these kinds of sites.

11 What, if anything, in the legal
12 environment might need to be addressed?

13 MR. THOMPSON: Well, I can begin,
14 then you can...

15 I do think one of the things that
16 I think industry is concerned with is a
17 multiplicity of different standards and especially
18 because there are some countries and some
19 jurisdictions where they're pretty well
20 knowledgeable about some of the issues dealing
21 with social networking and some where they're not
22 at all.

23 At the very least I think one of
24 the challenges is to take a look at what I think

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1 are pretty fixed standards and to see if they're
2 appropriate in a rapidly moving and changing
3 environment.

4 Some of the issues that I know
5 that you outlined as challenges particularly in
6 Canada, I know that in the U.S. people are looking
7 at and there is some pending legislation on it and
8 that I would agree on like breach notification et
9 cetera. And that's important.

10 But what I think would be helpful
11 is to the extent that we can talk about some of
12 those elements so that in recognition that
13 information travels all around the world. And for
14 companies to know what to expect, but more
15 importantly for consumers to have a reasonable
16 expectation of what's going to happen to them no
17 matter where they're located is also very
18 important.

19 MS MARDOSZ: Yeah, I agree. You
20 know and I think that's why sites like ours and
21 like Facebook, MySpace has similar privacy
22 options. I didn't go into those today but it's a
23 similar system.

24 And so offering those options to

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1 consumers directly, you know I would say we're
2 ahead of the curve at offering options and notice
3 and choice.

4 So, I agree that the issues are
5 really global. And they need to be considered in
6 a global fashion. But I think that industry
7 really, you know, is listening and responding.

8 MR. DAVIS: Just to offer a
9 European perspective, the data protection
10 directive which was finalized in 1995 has recently
11 undergone a review and we've clapped ourselves on
12 the back and decided that, yes, it was actually
13 technologically neutral and can be applied to new
14 technology. And I think it can also -- it can be
15 applied to social networking sites. We've had a
16 look at in terms of the issues that have arisen
17 and certainly it does.

18 In terms of the standards, yes
19 Europe does have a data protection directive which
20 has been transposed in each of the member states
21 in a slightly different manner. But generally it
22 sets the same standards in terms of information.

23 And I suppose I don't have any
24 difficulty with the debate that has started over

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1 recognizing the difficulties that internet based
2 companies such as the Googles of this world and
3 MySpace and Facebook have in terms of trying to
4 meet their multi-jurisdictional regulatory
5 requirements. And I think that's a good debate.

6 But actually as along as that
7 debate still recognizes the uniqueness from our
8 perspective of the European requirements, which
9 actually they are broadly meeting in terms of
10 giving people their rights, we we look forward to
11 that.

12 And I suppose the way I see it is
13 no difficulty at all with a rise in tide lifting
14 all boats up to a higher standard in terms of
15 privacy.

16 MR. STEVENSON: I think we had a
17 question at the back mike and then the front mike.

18 QUESTION: Thank you very much.
19 Thank you to the panel, that was very interesting
20 to listen to you.

21 I have a general question and then
22 a more specific one. The general question is, do
23 you think that we need to revisit previous data
24 protection principles or do you think that we need

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1 first to try to see how we can better ensure
2 compliance and enforcement across regions? That's
3 the general question.

4 The more specific question has to
5 do with the privacy policy of MySpace or Facebook
6 versus their customers. You address something
7 which is very important which is the privacy
8 options that each person participating in Facebook
9 or MySpace can do to limit or to control who has
10 access to the information. But what about the
11 relationship between the company providing the
12 service and all those who are using it?

13 Thank you.

14 MS MARDOSZ: Just so I understand
15 the more specific, I think what you're asking is
16 users that visit the sites that aren't necessarily
17 members. Is that what you mean? Because our
18 privacy policy -- sorry.

19 QUESTION: I'm not yet maybe a
20 user but if I --

21 MS MARDOSZ: A visitor to the
22 site.

23 QUESTION: Yeah.

24 MS MARDOSZ: Okay.

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1 QUESTION: If I participate in
2 Facebook or MySpace and I provide a number of
3 information and I decide who access it, you store
4 this information for me so what do you do with my
5 information which I decide to give access to or
6 not to give access to, to third parties?

7 MS MARDOSZ: In terms of sharing,
8 okay.

9 Well, to answer your first
10 question I think we pretty much covered that in
11 terms of revisiting privacy principles. I think
12 that has to happen on an ongoing basis and it is.

13 And that's actually what we're
14 doing here today is talking about that and also
15 as, at least for MySpace does, we expand
16 internationally. You know, we're looking and
17 considering all the laws.

18 And then in terms of collection of
19 that information what we do is we have teams in
20 place, like in terms of an imposter profile. For
21 example, I mean that was referenced earlier, if a
22 head mistress or something like that, if that were
23 to happen we do have resources in place to take
24 those profiles down in terms of a non-user.

1 And then in terms of the actual
2 user data we do not share -- I mean our privacy
3 policy says we do not share that with third
4 parties.

5 MR. LAWFORD: I beg to differ on
6 the don't share it with third parties.

7 What MySpace and Facebook and
8 SecondLife say are, we don't consider your
9 internet protocol address to be your personal
10 information so we're going to collect that and
11 send it around to third parties. It's right here.

12 The other thing they say is that
13 with third party cookies, we can't control what
14 people do with third party cookies. And if we
15 have advertisers who put cookies from other sites
16 on your computer and you come to our site and
17 start clicking on their web ads and then play
18 around in our site, well too bad. Because they've
19 got it and they have their own privacy policy.

20 So it's not quite accurate. I
21 understand that the policy is mainly not to share
22 it with third parties. But there are two holes
23 there.

24 And the last thing is these guys

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1 can get bought. And when -- no, it says right in
2 their privacy policy, when we're bought we can
3 sell your personal information and you have
4 nothing to say about it. And then you'll be under
5 the new privacy policy of the new company.

6 And these guys seem big now but
7 they're going to be small fry compared to Google
8 or Yahoo or someone who wants to buy them.

9 MR. THOMPSON: I might be a little
10 less provocative.

11 --- Laughter/Rires

12 MR. THOMPSON: But let me first
13 thank you Anne, for your questions.

14 On the general question, I think
15 the privacy principles that are not only the basic
16 privacy principles that we see from the OECD and
17 manifested in the European directive and we see it
18 in various forms in the U.S. too, are basically
19 sound. I don't think that that -- I think we
20 really need to think about how that's manifested
21 in what we're looking at today.

22 And I think that that's an
23 interesting challenge. So, I don't think we're
24 talking about the principles, we're talking about

1 the specifics. And that's going to be a little
2 bit more of a challenge.

3 And I think we all need to take a
4 step back. And when I say that it's not just
5 governments alone but it's also consumers, it's
6 also industry to think about what does that mean.

7 Now on specifics I know that you
8 want to be provocative John, but I'm going to tell
9 you that we have a line in the sand. And we've
10 taken a lot of criticism for it in industry, that
11 we do not provide your personal information to
12 other people. Because it would be counter-- it
13 would also be counter to the business model.
14 Because we tell people that if you're an
15 advertiser and you want to reach people on
16 Facebook, you have to advertise through Facebook.

17 If we were going to give that
18 away, that would be giving away one of our most
19 important assets. So we just don't do that. And
20 that's a line that we draw in the sand.

21 And we have had numerous requests
22 from advertisers, people who provide applications,
23 all sorts of things who want to skim our database.
24 We don't do it, it is just that simple.

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1 MR. STEVENSON: All right, thank
2 you.

3 Why don't we take another
4 question. If you could identify yourself just for
5 the record.

6 QUESTION: Philippa Lawson, I am a
7 Director of the Canadian Internet Policy and
8 Public Interest Clinic, CIPPIC, at the University
9 of Ottawa.

10 I have a question, but I also
11 would like to hear Mozelle's and Jennifer's
12 response to I guess John's two main points; one is
13 about IP addresses as personal information and the
14 other is about acquisitions down the road, selling
15 a business down the road. But my question was a
16 more specific one about defaults and I am --

17 MR. THOMPSON: Is Rupert selling
18 MySpace?

19 ---Laughter

20 QUESTION: Not about whether you
21 are planning to sell, obviously, but about your
22 policy in the event of a sale. My question is
23 about defaults and, Mozelle, I think you raised
24 that issue and, obviously, defaults are extremely

1 important. I have forgotten the exact statistic,
2 but it was a large proportion of your users don't
3 change the default, right.

4 So my question is what are your
5 policies, what are the default settings in MySpace
6 and Facebook, the most restrictive from a privacy
7 perspective? If not, why not? And is it not the
8 case that a best practice from a privacy
9 perspective would be to make those defaults the
10 most privacy respectful?

11 MR. THOMPSON: I would answer the
12 question, no, and I will tell you why. Because
13 the most restrictive would be no one can see
14 anything and that is not the reason to be on a
15 social network, it is just that simple.

16 Now, I don't know enough about
17 what MySpace does, but I can tell you that there
18 is a couple of things going on, some are apparent
19 and some are not apparent that mitigate the sense
20 that everything is open.

21 First of all, we have hard
22 firewalls between over 18 and under 18 and those
23 aren't readily apparent. But if you are under 18
24 you will know it or if you are over 18 trying to

1 troll for people under 18 you would know it.

2 Second is that we have segmented
3 networks so you can't get -- if you are in one
4 regional network you can't join another regional
5 network. If you are in one university or one
6 college you cannot join another college network
7 without being a member of that, having a .edu
8 address, for example, that limits exposure. And
9 at the same time, not all of our defaults are
10 marked as open, that doesn't happen.

11 So it is what I call layered
12 privacy protection and we give you an opportunity
13 to change that. Now, what you could say is, and I
14 think you sort of imply, is that well there are a
15 lot of people who don't change their default
16 settings. And I am not embarrassed to say, that
17 more people use the privacy tools that we offer
18 than any other website period.

19 Second, is there are also larger
20 questions that I think MySpace and we and
21 everybody else, regulators too, about talking to
22 people and educating them about how to use
23 information in a way that is wise, in a way that
24 is effective, it is something that is still a

1 challenge and it has been a challenge for a long
2 time.

3 And finally, you also have to
4 think of what the control is, because a lot of the
5 people who are also are using our site and using
6 the privacy tools, some of their alternatives are
7 really wide open, whether it is blogs, chat rooms,
8 IM, ISPs, open networks where there are no
9 protections whatsoever. And to say nothing about
10 the number of people who give their information on
11 the telephone or throw it out in the dumpster all
12 the time, which is the principal source of
13 identity theft.

14 So I think that what I would like
15 to see is a race to the top. I think that, to the
16 extent that if there is a healthy rivalry between
17 MySpace and Facebook on this issue, I think that
18 is great.

19 MS MARDOSZ: Yes, I agree. You
20 know, it really is a balance. And, you know, what
21 we are trying to do is be upfront and be at really
22 the forefront. And I agree with Mozelle, that the
23 options that we put in place are there for a
24 reason. We are trying to get them out in front of

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1 people, we are out educating, we are out with
2 parents, with schools, I am sure Facebooks is
3 doing the same thing. It is understanding and it
4 is educating people and we are trying to do that
5 as best as we can. And to put those privacy
6 options and those settings, ours are used as well,
7 and so it is really a balance between the two.

8 MR. STEVENSON: Thank you.

9 The question was also raised, I
10 think by John and Pippa about the IP address and
11 then the issue involving the sale. And I wondered
12 whether someone wanted to address that?

13 MR. DAVIS: I was just interested
14 in the points, because certainly an IP address is
15 clearly personal data. There is no hole there
16 now. If the privacy policies say personal data is
17 not being sold down to third parties, well then
18 that is fine. If IP addresses are being exchanged
19 to third parties well then there clearly is a hole
20 in the privacy policy.

21 So I would encourage, I suppose
22 just to put it to bed because I don't think
23 anybody is denying that an IP address is personal
24 data.

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1 MS MARDOSZ: I think Mozelle has
2 already answered it and I have too. I mean, we do
3 not sell that information to third parties.

4 MR. LAWFORD: I am just going to
5 read this part of this privacy policy from
6 MySpace, it says the following. It says, IP
7 addresses, "This non-personally identifiable
8 information.." that is IP addresses, "..may be
9 shared with third parties to provide for more
10 relevant services and advertisement to members."
11 So what does that mean?

12 MR. STEVENSON: We will have that
13 question.. I think in the interim I am going to -
14 -

15 MR. LAWFORD: (off microphone)

16 MR. STEVENSON: Okay, why don't we
17 go to the gentleman in front.

18 QUESTION: Thanks, hi, Michael
19 Geist, University of Ottawa. I am actually going
20 to follow-up on the default question.

21 So John presents a vision of
22 essentially a participant of web to expose
23 companies or just to bring to light companies
24 whose privacy policies aren't the best or aren't

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1 compliant with some of their undertakings.

2 And yet we hear from Mozelle that
3 Facebook is the best of the sites in terms of
4 having people actively using and yet, by your
5 numbers, 70 to 80 per cent of your users don't
6 touch their defaults. In other words, 7 to 8 per
7 cent of Canadians have Facebook identities and
8 have never touched their defaults.

9 Now, it may be --

10 MR. THOMPSON: Wait a minute. I
11 am not going to allow you to go from a general and
12 talk about a specific in Canada when I don't know
13 the answer.

14 QUESTION: Okay. That is all
15 right, that is fine. Seventy to 80 per cent of
16 your users haven't changed their defaults, 10 per
17 cent of the Canadian population has a Facebook
18 page, some percentage of Canadian users, perhaps
19 between that 70 and 80 per cent, perhaps somewhat
20 different, haven't adjusted their defaults. We
21 don't know the precise numbers, that is fine.

22 MR. THOMPSON: Sure.

23 QUESTION: But skewing on your
24 general numbers, it is in that ballpark. There is

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1 clearly large numbers of Canadians that presumably
2 have not changed their defaults unless we are just
3 completely different from the rest of the world,
4 which maybe we are.

5 But the question isn't really so
6 much about Canadians, it is notwithstanding the
7 education and notwithstanding even sort of we have
8 got a privacy commissioner actively out there,
9 clearly education isn't doing as much from the
10 corporation education, the commissioner of
11 education isn't doing all that much. And I am
12 pessimistic on a participant of web for exposing
13 anybody since, frankly, the majority of people,
14 best case is only 25 per cent let us say roughly
15 are even thinking about this issue, that means
16 most aren't.

17 Is there a role to bring it back
18 into sort of the policy issues of this entire day,
19 is there a role from either a legislative or
20 policy perspective for groups like the OECD or for
21 other governments or data protection commissioners
22 to find a way to up the anti a little bit so that
23 more people do at least think about some of the
24 defaults that they are not choosing or choosing?

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1 MR. THOMPSON: Look, I think more
2 information is always better. But you also forget
3 one other part of that equation, there may also be
4 a large group of people who think the defaults are
5 okay, okay? So you are coming at it with a
6 presumption. I don't make that judgment, I do
7 think more information is better than less
8 information and if people have more information
9 they like us more. I don't have a problem with
10 that.

11 So the question is does the OECD
12 have a role? I think everybody has a role. I
13 think everybody in this room should create
14 opportunities to talk to people about how they use
15 information. And that's not just whether they
16 participate in Facebook or MySpace or YouTube or
17 Google but it's the stuff they throw in the
18 garbage, it's the stuff that they provide people
19 when they pick up the telephone, which is
20 absolutely amazing.

21 I do think that there is an
22 opportunity. But what I have learned in my years
23 at the FTC and everywhere else is that no one side
24 can do it by themselves.

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1 MR. STEVENSON: Okay. I think we
2 have a gentleman in the green shirt and then the
3 woman behind him.

4 QUESTION: Hi, Richard Akerman
5 from the National Science Library of Canada.

6 One of the things that I've seen
7 in the discussion is we are talking mostly about
8 silos, but Web 2.0 is about mashing sites up,
9 about linking sites together, about crossing
10 between sites and combining them together.

11 Not to pick on Facebook, but
12 Facebook has a fabulous feature, which is Facebook
13 Applications. However, in order for me to give my
14 informed consent, I have only one choice. To use
15 this application, I share my information with a
16 third party.

17 I think that is a valid option,
18 but the question, the broader question, the policy
19 question is: How do we deal with privacy when we
20 expect that sites will want to interlink like
21 this, that people will want to connect their
22 information like this? How do we control the
23 spread of the information?

24 Are there technological ways to do

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1 that? Are there policy ways to manage it? If I
2 share with a third party, how do I stop the third
3 party from sharing on?

4 So I'm interested obviously
5 particularly in the Facebook experience but the
6 broader panel as well.

7 Thank you.

8 MR. THOMPSON: I think that
9 question is there for a reason. I mean, when I
10 say that, when it warns you that in order to use
11 this application, you have to share some
12 information with that application, it's because if
13 you don't want to share your information with that
14 application, you should not download that
15 application.

16 One of the things, you are
17 absolutely correct -- we have over 5,000
18 applications. And aside from the applications
19 that are created by Facebook itself, it is very
20 difficult to police every single other one for
21 what everybody else does.

22 For example, if Amazon has an
23 application that you can download on Facebook,
24 then you are going to have to be guided by

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1 Amazon's policy.

2 That being said, do we have
3 certain standards about data mining and other
4 things? Absolutely.

5 We tell sites that if they want to
6 create an application and they want to ask you for
7 information, that's great. We are not going to
8 give you information about our users. We leave it
9 then up to the user to determine whether they want
10 to use this application or not. And that has to
11 do with a trusted site relationship.

12 MR. STEVENSON: Thank you.

13 John, I think you wanted to get on
14 this, and then Gary, and then one more question.

15 MR. LAWFORD: The way you dealt
16 with that in legislation, you just ask for
17 someone's consent, right, and that should be the
18 end of it. If you don't want to use that program,
19 you don't consent, except that what you are
20 getting for that application is they are asking
21 for more personal information probably in your
22 sign-up than they need to to provide that
23 application to you.

24 They've already got the fact that

1 you have been referred from Facebook and now they
2 are asking for additional personal information.

3 That's where we are saying that
4 for a Web 2.0 type statute, whether
5 internationally or nationally, you should be able
6 to ask for the plain vanilla transaction. So you
7 have name, address, if you need it, and I get my
8 application, not all this other stuff.

9 MR. THOMPSON: That's a little bit
10 misleading in the following sense: that is you are
11 Amazon and you have an application on Facebook or
12 some other company has an application on Facebook,
13 if it's Expedia or Travelocity, they are going to
14 need some information from you in order for them
15 to do a transaction with you. That's your
16 relationship with them.

17 We are not collecting that
18 information. That third party is collecting that
19 information. That's the purpose of the warning.
20 Not because we need that information. We already
21 know what we need to know because you are our
22 user. You are absolutely right.

23 But we put the warning there so
24 that if you are using a third party application,

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1 you know that they are collecting information
2 about you. It's a benefit to consumers.

3 MR. STEVENSON: Thank you.

4 Let's give Gary a chance to
5 intervene on this and then I think we have one
6 more question.

7 MR. DAVIS: Just from a data
8 protection perspective, I don't know the actual
9 characteristics of Facebook applications and there
10 could be anything else.

11 One of the principles is the
12 purpose limitations. So if I give my information
13 for one purpose, which is to sign up to that, the
14 third party, then if they anything else with it
15 other than the reason for which you gave it, then
16 you would have a valid complaint to us as the Data
17 Protection Commissioner's Office and we would
18 investigate it.

19 Also, and again understanding the
20 nature of the relationship that exists, if
21 Facebook applications could be deemed to be
22 handling the information on behalf of Facebook,
23 well then there's a contractual obligation there.
24 And one might say that a privacy standard would be

1 that the contract that is entered into would
2 specify between Facebook and whoever manages
3 Facebook applications, that they may not use the
4 information for any other purpose.

5 I would expect to see that. If
6 you weren't seeing that going forward, well then
7 that's a privacy point that one would expect to be
8 articulated.

9 MR. STEVENSON: Thank you.
10 The last question.

11 QUESTION: It's Jennifer Creole.
12 I'm actually asking this question to you,
13 Facebook, from a user perspective who has several
14 hundred friends and who has many requests for
15 friends and feels an obligation to accept out of
16 the spirit of friendship.

17 I don't know if this is really a
18 policy concern or a very specific recommendation
19 for Facebook, which is that friends are grouped
20 all as one. A lot of my friends have hundreds of
21 friends as well, one who is the daughter of
22 someone, who is quite young. She is 14 and she
23 has 250-or-so friends, again all grouped as
24 friends, who has posted a lot of images that I

1 think as she grows older will not want those
2 images there. And she may be able to take the
3 time to take her tag off the images, but that
4 doesn't take the images off for the friends who
5 have posted things about her. And they are all
6 there.

7 And a lot of them share friends.
8 Let's say 50 of them, they are all friends. If a
9 lot of them are in the group, they can see them.

10 So I guess my question is one
11 recommendation -- I don't know if it's a policy
12 issue or a recommendation to group friends
13 differently, because if it's all just one cluster
14 of friends, I might be comfortable sharing certain
15 types of things with certain types of friends from
16 certain social circles but not with like all
17 friends all the time.

18 The other issue is actually around
19 history, which was raised in our earlier session
20 just previous to this one, which is people might
21 be comfortable sharing something at 14 years old
22 but when they are 20 or 30 or 40, is that archive
23 carrying with them forever?

24 I don't know what you can say to

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1 that.

2 MR. STEVENSON: Thank you for that
3 friendly suggestion.

4 Perhaps you would like to respond
5 and then anyone else for a final word.

6 MR. THOMPSON: Thank you for your
7 helpful intervention.

8 First of all, we are always
9 working on ways to improve the site and we are
10 thinking about whether we want to add some
11 granularity to the friends: fair weather friends,
12 not so good friends.

13 But we are thinking about that.

14 I can tell you from myself, I
15 don't have that many friends.

16 --- Laughter

17 UNIDENTIFIED SPEAKER: Most kids
18 have a lot of friends.

19 MR. THOMPSON: That's right. They
20 want to be really popular. I think for some
21 people I'm a scary friend to have.

22 --- Laughter

23 MR. THOMPSON: The second question
24 about tagging, right now you are right. We can

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1 take you off the tag so that you are invisible,
2 but you are not invisible to your friends,
3 especially if they put the picture up for you.

4 So that's a bigger challenge
5 because it's not like it's not a valid picture
6 that someone else has that they want to have. If
7 you are with a group of 25 people and you don't
8 want it there but everybody else wants it there,
9 that's more of a challenge for us.

10 I don't know what the easy answer
11 to that is. If you have another suggestion, then
12 we would like to hear it too. I will take it
13 back.

14 MR. STEVENSON: Thank you.

15 Friends, we are unfortunately out
16 of time. We have just begun to scratch the
17 surface of the many issues that this raised.

18 I would like you to join me in
19 thanking all of our excellent panellists for all
20 of their interventions.

21 Thank you.

22 --- Applause

23 MR. THOMPSON: And I take back
24 that friends thing. I don't want to hear from any

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- 1 of you.
- 2 --- Laughter
- 3 --- Upon recessing at 1640