



# **Privacy and Responsible Information Sharing**

**CCIWA Submission**

**1 November 2019**

## Introduction

The Chamber of Commerce and Industry of Western Australia (CCIWA) is the leading business association in Western Australia (WA) and has been the voice of business for more than 125 years. CCIWA represents employers from across all business sizes, industries and in Western Australia.

CCIWA welcomes the opportunity to make a submission on the State Government's *Privacy and Responsible Information Sharing for the Western Australian Public Sector* Discussion Paper.

The purpose of this submission is to summarise comments made by our members during a consultation workshop that was jointly held by CCIWA and the Department of Premier and Cabinet (DPC) on 4 November 2019. The workshop was designed to encourage CCIWA members to comment on potential opportunities and risks for businesses arising from the proposed reforms that should be considered by the Government. The submission also includes additional information based on separate feedback from CCIWA members and findings from other policy submission processes.

We appreciate DPC's efforts to engage directly with CCIWA and our members in order to understand the perspective of the business community regarding the Government's proposed privacy and information sharing reforms.

## The role of information, effective regulation and the ability to do business

CCIWA consults extensively with our members to understand how the design, implementation and administration of government policy and regulation affects the ability of businesses to operate, invest and grow.

In recent months, CCIWA has received feedback from our members to inform our response to the following reviews and consultation processes:

- Economic Regulation Authority (ERA) Business Licencing Reform Inquiry
- Local Government Act Review – Phase 2
- Streamline WA
- Federal Government Deregulation Taskforce work program

In assessing the multitude of policy and regulatory issues highlighted by our members, CCIWA has identified some recurring themes or characteristics that contribute to ineffective regulation or government processes that hinder the ability of businesses to operate, invest and grow. These include:

- excessive paperwork;
- delays in approvals;
- excessive or unnecessary information requests;
- duplicated requests for similar information by different regulators or agencies;

- excessive regulatory rules and complicated processes that stop a business getting things done;
- inconsistent and overlapping approaches by regulators; and
- poorly designed regulations.

Most of the contributing factors to poorly administered regulation (or ‘red tape’) listed above are related to the management of information provided by businesses to government to aid decision making. This can include information provided as part of a project approval process, licensing/permit application or to meet a regular reporting requirement (e.g. reporting requirements under State Agreements).

CCIWA considers that the provision of information by businesses is crucial for enabling informed government decision making. However, consistent feedback from our members suggests that the way information is used and shared within and across government agencies requires improvement. We are therefore supportive of reforms that will enhance the Government’s ability to efficiently and effectively manage and share information.

## Opportunities

During consultation, CCIWA members noted that the proposed reforms have the potential to deliver positive outcomes for businesses and the broader community.

Opportunities highlighted by our members include:

- Improving the efficiency of government by:
  - enabling information sharing within and across agencies to reduce duplicative requests for information from businesses;
  - supporting the use of data and information within government to direct resources and services where they can be most effective (e.g. better healthcare outcomes by enabling agencies and providers to better prioritise and direct services); and
  - facilitating the establishment of a ‘one-stop-shop’ where businesses are not required to input data across multiple departments (i.e. enhancing the capability and scope of the State Government’s ServiceWA initiative).
- Improved quality of analysis and decision making enabled by using high-quality, consistent data across government.
- Aligning the proposed WA framework with other jurisdictions (to the extent that it is practicable) in order to reduce the effort required by businesses to familiarise themselves and comply with multiple privacy and information sharing regimes.

## Risks

While noting that the proposed reforms offer the potential for multiple positive outcomes, CCIWA members also highlighted a number of risks that the Government should aim to address in the design and implementation of its privacy and information sharing framework.

Risks highlighted by our members include:

- Inappropriate classification and handling of sensitive information:

CCIWA has observed that a common concern for businesses providing data and information to Government is a lack of understanding about the sensitivity of data and how it should be handled by agencies. This creates the risk of commercially sensitive information being incorrectly classified and shared with third parties or made public.

It is therefore important that clear guidelines are established that enable agencies to identify and understand what constitutes sensitive information, how it should be classified and implement appropriate controls on handling information in accordance with its classification.

- Loss of control and visibility:

Members also noted that loss of control of data once it is shared with government is a major concern. For businesses providing information to government, it is important that they know how the information is being used and who it is being shared with. This could be addressed by establishing a central register that tracks which data sets have been shared and the agencies/organisations they have been shared with. This will also enable information or data to more easily be corrected or updated if required.

- Capability and resourcing:

Challenges around the public sector being adequately resourced to implement and enforce the privacy and information sharing framework were also highlighted as a risk by CCIWA members. For example, the agencies may find it difficult to acquire the expertise (such as data scientists and cybersecurity specialists) may impede the ability of government to make full use of the data and information that it holds and implement the proper security requirements to safeguard information.

Members also highlighted that the majority of all major data breaches occur due to human error. It is therefore crucial that the Government considers the training and accreditation requirements that will enable agency staff to appropriately handle and safeguard sensitive information. There will be costs associated with these training requirements and should be accounted for in agency budgets.