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2 August 2010

Committee Secretary
Senate Standing Committee on Environment, Communications and the Arts
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The adequacy of protections for the privacy of Australians online

Google is pleased to provide these comments to the Senate Standing Committee on Environment, Communications and the Arts.

As the Committee considers the adequacy of protections for the privacy of Australians online, Google believes it is critical to keep in mind the huge benefits for society being generated in the online environment. This is demonstrated by the explosive growth in use of the Internet in the last decade.

As the Internet has given millions of people access to vast amounts of information and created useful--sometimes revolutionary--tools and services, people are increasingly concerned about how to protect their privacy online. Storing more information online presents new challenges for protecting people's personal information.

We believe that recent history indicates that Australia is clearly taking action to address online privacy. Through education and carefully framed laws, Australia is well placed to benefit from the online environment in a way that protects individuals' privacy. Education to ensure greater understanding of the many technical tools that are available to Australians to manage their privacy online is of utmost importance. Many new technologies in fact improve privacy – for example, the ability to control access to material placed online.

Based on our experience, we believe that service providers are motivated to work towards a safe and secure environment for their users. This is fundamental to obtaining and maintaining users' trust – which is key to success. In order for a service to be successful, users must feel comfortable using the service. Providers want their brand associated with comfort, safety and security. Ultimately, it is imperative to a provider's bottom line to get this right. Otherwise, users will switch to a different service. This is most true in the highly competitive world of the web, where an alternative is just a click away.

Google is keenly aware that privacy is a key determinant of the trust that our users place in us, and of our responsibility to protect their privacy. We strive to design products that give our users real and meaningful control -- this means choice and transparency. The Google Privacy Centre (linked to from the Google homepage) has information and videos that explain in plain English what data Google stores and how we use it to provide our users with services like Gmail, Search and more. The Privacy Centre also contains information about

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privacy settings our users can choose when they use our products. Google aims to put people in control of their data.

In this submission we provide an overview of:

- Google's mission,
- Privacy in the online environment, and
- Google and privacy.

Google's mission

Google's mission is to organise the world's information and make it universally accessible and useful. This means giving our users around the world access to the information they want, from the widest variety of sources, wherever they are. We believe this brings people greater choices, new freedoms, and ultimately more power.

Search is at the heart of what we do - we help people find things. From a rare magazine, to a blog for fellow young mums, to an up-to-the-minute stock quote, to a map of a new town you're visiting ... the subject matter ranges from the entertaining to the educational and potentially life-changing.

Part of broadening this access to information means breaking down barriers. We've made web search available in more than 100 languages, and have more than 1,500 local-language versions of our products. We're also attempting to bring more kinds of information to more people - offline information, videos, news, photos, and maps. This is opening a doorway to a whole new world - giving young people in remote parts of Australia access to online, street level imagery of cities around the world, for example.

Google's Sydney office is a central hub for Google in developing innovative products and partnering with local businesses and agencies. We have over 350 employees in Australia in sales, engineering, and business support, and some of Google's most exciting projects - like Google Map - were developed in Australia. More information about Google's activities in Australia is in the Annexure.

Privacy in the online environment

Google believes that there are huge benefits for society being generated in the online environment. This is demonstrated by the explosive growth in use of the Internet in the last decade. These overall benefits must be part of any consideration of privacy online.

Experts recently surveyed by Pew Research Centre and Elon University's Imaging the Internet Center say the benefits include that:

'email, social networks, and other online tools offer "low friction" opportunities to create, enhance, and rediscover social ties that make a difference in people's lives. The Internet lowers traditional communications constraints of cost, geography, and time; and it supports the type of open information sharing that brings people together.'
http://pewresearch.org/pubs/1652/social-relations-online-experts-predict-future

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Online tools and services have changed the way people conduct their lives for the better in many ways including the way we bank, pay bills, find partners, friends and restaurants, buy and sell goods including art, real estate, books and groceries and educate, study and conduct research,

Google recognises that, as in the offline world, in the online world there is a fundamental need to protect privacy. However, we consider that drastic or precipitate action is not necessary and indeed is likely to be counterproductive.

A key existing protection is that individuals have choices online. They can easily move to a different tool or service if they consider their personal information or security at risk or compromised (for more information on Google's efforts in this regard, see the below discussion of the Data Liberation project).

There is also evidence that young adults, in particular, are active in managing their reputation in social media. See, for example, http://www.pewinternet.org/Reports/2010/Reputation-Management.aspx which states:

'Young adults, far from being indifferent about their digital footprints, are the most active online reputation managers in several dimensions. For example, more than two-thirds (71%) of social networking users ages 18-29 have changed the privacy settings on their profile to limit what they share with others online.'

Many new technologies in fact improve privacy – for example, the ability to control access to material placed online. Education to ensure greater understanding of the many technical tools that are available to Australians to manage their privacy online is of utmost importance.

Recent events, including those involving Google, demonstrate that existing Australian privacy law and structures are able to provide protection of privacy in the online environment. Nonetheless, regulators and policy makers around the world are recognising that privacy law and regulatory frameworks need to be examined in the context of the online world and are seeking to respond in a considered way.

Among them is the Australian Government, which saw the need to review the law and gave the task to the Australian Law Reform Commission (ALRC). The Australian Government has responded to the recommendations of the ALRC and is proposing to implement the vast majority of recommendations in a number of installments. The first installment is the exposure drafts of Australian Privacy Amendment legislation, which are presently being considered by the Finance and Public Administration Committee of the Senate.

Having the right privacy law is a critical tool in managing privacy risks in the online environment. However law, as an essential pillar of the democratic process, should be as stable as possible and only changed after due community consideration. The process of changing law must therefore inevitably be measured and deliberate.

Overall, recent history indicates that Australia is clearly taking action to address online

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privacy challenges after a process of policy development and community consultation.

On the issue of international privacy initiatives, the Australian Government has played a leading role in developing the APEC privacy framework and in the subsequent work to implement and develop enforcement mechanisms for the framework. In particular, Australia had responsibility for developing protocols between global privacy and consumer regulators for handling complaints with cross-border implications. An international agreement between Australia and other members of the Asia-Pacific Economic Cooperation that will enhance global cooperation on privacy enforcement came into effect on 16 July this year.

The APEC Cross-Border Privacy Enforcement Arrangement will enable the Office of the Privacy Commissioner to give and obtain assistance from foreign privacy enforcement authorities to resolve complaints against overseas companies.

Google strongly supports the Australian Government in its work in leading the way in the region on achieving protection for information that crosses borders, including in the online environment.

Google and privacy

At Google we are keenly aware that privacy is a key determinant of the trust that our users place in us, and of our responsibility to protect their privacy. We have 5 privacy principles (http://www.google.com.au/intl/en/corporate/privacy_principles.html) that describe how we approach privacy and user information across all of our products:

1. Use information to provide our users with valuable products and services.
2. Develop products that reflect strong privacy standards and practices.
3. Make the collection of personal information transparent.
4. Give users meaningful choices to protect their privacy.
5. Be a responsible steward of the information we hold.

1. Use information to provide our users with valuable products and services.

At Google, we work hard to make sure that the benefit that people get out of our services is worth the information they use to get them. We only ask for the limited information that we need to provide users with the service they want.

Every day, consumers use their information to receive even more useful and convenient services from businesses--from using their credit card number to make a purchase at a department store to using their email address when signing up for a mailing list for travel deals. Offline, a shop assistant might look at the books someone is buying and recommend something else they might be interested in, or a person might see a TV commercial that's targeted based on the audience demographics of the program they are watching. Similarly online, many businesses have algorithms that use website visits, past purchases, or personal or demographic information to make recommendations or show ads for things that might be of interest.

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2. Develop products that reflect strong privacy standards and practices.

We strive to design products that give our users real and meaningful control -- this means transparency and choice. More information on this is provided below.

Also, at any time a user may want to stop using a Google product, and we do our best to make it easy for them to leave. Through the Data Liberation project (dataliberation.org) we work hard to make sure users can export any data that they create in (or import into) a Google product. As a company, Google is committed to engineering products that do not lock our users in.

3. Make the collection of personal information transparent.

The Google Privacy Centre (linked to from the Google homepage) has information and videos that explain in plain English what data Google stores and how we use it to provide our users with services like Gmail, Search and more.

From the Privacy Centre or from a user's account, there is a link to the Google Dashboard (google.com/dashboard) which lets users take a look at their privacy settings and control the data associated with their Google Account. Dashboard helps answer the question, what does Google store in my account? It lets a user view and control the data associated with their Google account in one central location. It summarises data for each product they use and provides direct links to better control personal data and settings. Dashboard puts all this in one convenient and secure place so that managing and controlling data is easier than ever.

4. Give users meaningful choices to protect their privacy.

The Privacy Centre also contains information about privacy settings our users can choose when they use our products.

Google strives to design products that put people in control, for example:

- A user can use the Google search engine without signing up for an account and without having to provide a name, email address, or other personally identifying information. If a user does choose to sign up for a Google account by providing a username and email address, we are able to maintain a history of their previous searches in order to make their future searches more relevant to them. Bottom line: users get to choose how personal or anonymous they want their search experience to be.
- Google Talk's "off the record" feature empowers users to control what information is retained by Google. (Google Talk is an instant messaging service).
- In our Chrome browser, a user can choose to browse privately by selecting "incognito" mode. They also have the ability to pause or delete their Web History.
- Since January, Google has encrypted Gmail by default (with the ability to opt out), becoming the first major email provider to do so.

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In terms of the data that Google collects, this will depend on the service that a user is interacting with. For web search, every time someone does a search on Google the user necessarily provides Google with a search query, which is processed to provide the relevant search results. This search query is captured in what is known as a server log. A server log is a standard computer record. Server logs are used by Google and other web sites. Google's server log includes the IP address of the computer making the request, the time and date, the search term, and any cookies that might identify the user's browser. Importantly, cookies can be deleted by users at any time – and Google search works without them, though a user might lose some functionality.

Google retains server logs so that it can strengthen security, help prevent fraud and abuse, and improve its services (better search results, spell checker, Suggest). Google was the first leading Internet company to publicly announce the anonymisation of search logs after 18 months. We now anonymise search logs after 9 months. We believe that our 9-month retention period for IP addresses will allow us to address our legitimate interests in security, innovation, and anti-fraud efforts while still protecting user privacy by anonymising IP addresses stored in our logs after this period. We anonymise cookies after 18 months.

If a user is registered for a Google Account, like Gmail, Google will request their email address and ask them to set up a password. That's it. (Other webmail providers require more information to sign up for services, such as name, gender, etc). We require this basic information in order to protect the contents of a user's Google Account from unauthorised access. Google does not collect personal information, such as users' addresses or phone numbers when users sign up for a Google account. It is up to a user how long Google keeps their information for. Users can keep Gmail and other content hosted on our services for as long as they want to. If a user deletes an email in Gmail, it's deleted from his/her email immediately and any copies are wiped from our active servers within 60 days.

5. Be a responsible steward of the information we hold.

Google spends a lot of time developing products that assist users. Google also spends a lot of time working on the security aspects of those products. We take our responsibility to protect users' information and security very seriously and we recognise that secure products are instrumental in maintaining users' trust.

Google treats security as a continuous process. We consider the security requirements and features of a product from the time the product idea is conceived throughout the product's development and life.

Google strongly believes in layered protection. We believe that this is much like securing your house. You put your most private information in a safe, which is secured in your house, which is protected with locks and possibly an alarm system. Then you also have neighborhood watch and local police monitoring your neighborhood. We implement this philosophy as follows:

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- At Google, the most sensitive information is difficult to find or access. Our network and facilities are protected in both high-tech and low-tech ways: encryption, alarms and other technology for our systems; and strong physical security at our facilities.
- We have learned that security is enhanced by taking an industry-wide approach. We encourage everyone to help us identify potential problems and solutions. Researchers who work at security and technology companies all over the world are constantly looking for security problems on the Internet and we work closely with that community to find and fix potential problems.
- Google also invites its user community to be involved in this process. Google's users are able to report security concerns, which may relate to password problems, login issues, spam reports, suspected fraud, account abuse, suspected vulnerabilities in Google products or security incidents. Google responds swiftly to fix security issues. These combined efforts go a long way in making the Internet safer and more secure.

These layers of protection are built on excellent security technology. Google uses both products developed by others in the security community and our own security technologies. Some of the most innovative components of our security architecture focus on automation and scale. These are important because we are handling searches, emails and other activities for millions of users every day. To keep our security processes a step ahead, we automate the way we test our software for possible security vulnerabilities and the way we monitor for possible security attacks. We are also constantly seeking more ways to use encryption and other technical measures to protect data, while still maintaining a great user experience.

In addition to technology, we have a set of processes that dictate how we secure confidential information at Google and who can access it. We carefully manage access to confidential information of any sort and very few Google employees have access to what we consider very sensitive data. Partly, this is because there is very little reason to provide that access - most of Google's processes are automated and don't require much human intervention. Of course, the limited number of people who are granted access to sensitive data must have special approval.

Google also works to ensure that its processes meet (and in many cases exceed) industry standards. By working with independent auditors, who evaluate compliance with standards that hold hundreds of different companies to very rigorous requirements, we add another layer of checks and balances to our security processes.

In addition to this, we employ exceptional Google security engineers. Many of our engineers have come from very high-profile security environments, such as banks, credit card companies and high-volume retail organisations, and a large number of them hold PhDs and patents in security and software engineering.

While we continue to innovate with our products, we also continue to innovate in the world of security.

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WiFi data collection

In light of recent media coverage, we believe it is helpful to discuss Google's collection of WiFi data.

A couple of years ago, Google started collecting WiFi network information via our Street View cars to improve location-based services like search and maps. At Google, location-based services make use of a user's location to provide a more useful product experience. Location-based services are becoming increasingly popular, and many companies are adding location functions to respond to this demand and improve the services they offer their users.

Google uses publicly broadcast WiFi data like geo codes and MAC addresses to improve our location-based services. GPS is not always available (it is unreliable indoors), while cell tower data is often insufficiently accurate. By treating WiFi access points as "beacons," smart phones are able to fix their general location quickly in a power-efficient way.

As stated in our post to the Official Google Blog on 14 May 2010 (http://googleblog.blogspot.com/2010/05/wifi-data-collection-update.html), in addition to collecting WiFi network information, our Street View cars had been mistakenly collecting samples of payload data (information sent over the network) from open (ie unencrypted) WiFi networks.

To be clear, we did not want and have never used any payload data in our products or services. As soon as we became aware of this problem, we grounded our Street View cars and segregated the data on our network, which we then disconnected to make it inaccessible to anyone other than the specific engineers responsible for securing and, ultimately, deleting the data.

We asked an independent party to review the software at issue, and we are reviewing our procedures to ensure that our controls are sufficiently robust to address these kinds of problems in the future. In addition, given the concerns raised, we have decided that it's best to stop our Street View cars collecting WiFi network data entirely. We have removed all WiFi reception equipment from them. Maintaining people's trust is crucial to everything we do and, by mistakenly collecting payload data, we fell short.

In Australia, we worked with the Privacy Commissioner to support her investigation into what happened. On 9 July 2010 we posted to the Official Google Australia Blog (http://google-au.blogspot.com/2010/07/were-sorry.html), welcoming the conclusion of this investigation (http://www.privacy.gov.au/materials/a-z?fullsummary=7103). We have committed to working even more closely with the Privacy Commissioner going forward on the privacy implications of our product launches.

As stated by Alan Eustace, Senior VP, Engineering & Research on the Official Google Australia Blog, 'we want to reiterate to Australians that this was a mistake for which we are sincerely sorry. Maintaining people's trust is crucial to everything we do and we have to earn that trust every single day. We are acutely aware that we failed badly here.'

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Conclusion

At Google we are keenly aware that privacy is a key determinant of the trust that our users place in us, and of our responsibility to protect their privacy. We strive to design products that give our users real and meaningful control -- this means choice and transparency.

We are committed to protecting our users' privacy as we work to help our users take advantage of the huge benefits for society being generated in the online environment. We make privacy a priority because our business depends on it.

We would be pleased to discuss these matters with the Committee further.

Kind regards

Ishtar Vij
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ANNEXURE

Google in Australia
Our Sydney office is a central hub for Google in developing innovative products and partnering with local businesses and agencies. We have over 350 employees in Australia in sales, engineering, and business support, and some of Google's most exciting new projects - like Google Wave - were developed in Australia.

We help users
We help millions of Australians connect with information, customers, audiences, users and colleagues in Australia and throughout the world.

- Our engineers localise Google products to make them available and relevant for Australians, including local movie and stock price searches, Real Estate Search and Transit in Google Maps.

- We're committed to partnering with local organisations like the National Association for Prevention of Child Abuse and Neglect (NAPCAN), Inspire, The Alannah and Madeline Foundation, Kids Helpline and Bravehearts.

We develop innovative products
Google's Australian engineers develop a wide range of global and local products and have an strong track record of innovative products and services.

- Our local engineers work on pioneering innovations in geospatial web applications, collaborative software, network infrastructure and more.
- Recent global products developed in Australia include Google Wave, Google Maps, and Real Estate Search for Google Maps.

We support Australia's IT sector and broader community
We support Australia's vital IT sector through employment, industry engagement, education, access to code and initiatives to encourage a new generation of IT professionals.

- Sponsoring University programs and prizes and close involvement with University IT and Engineering Departments. Scholarships such as the Australian and New Zealand Anita Borg scholarship to encourage women engineers, Google Australia summer internships for University students, Google Student Day for school students
- Opening up Google products to the open source community to foster innovative services and mash-ups
- Hosting developer events: G'day Google, a series of overseas events, designed to show expat Australians the exciting career opportunities available in Australia. Developer Days regularly held in Sydney.
- Mentoring young Australian and NZ programmers to put their ideas into practice: Summer of Code, Code Jam and the Highly Open Participation Program

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- Promoting Science, Technology and Australian initiatives such as such as Doodle 4 Google, to encourage students to express what it means to be Australian and hosting the launch of National Science Week.

We make local businesses more competitive
Thousands of Australian businesses use Google products - Search, AdWords, YouTube, Google Maps and Google Apps - as a core part of their business.

- Online tools help businesses connect with local and overseas customers, stand out in competitive local markets and improve their workplace productivity.
- Marketing with Google AdWords allows businesses to maintain effective, targeted ad campaigns with virtually no start up costs. In particular, AdWords helps small and medium businesses grow their customer base and connect directly with people in Australia and around the world.
- We also help local online publishers make money from their content through Google AdSense. These tools grow the web ecosystem and power the digital economy.

- Google has developed strong partnerships with Australian businesses and agencies and helps them utilise a range of enterprise and online advertising solutions.
- Business stimulus offer: In 2009, we announced a business stimulus offer, to help Australia's 1.88m small and medium-sized enterprises speed up in the economic slowdown. We offered a free $75 search marketing campaign, to help Australian businesses reach new customers and drive sales. Thousands of companies took up the offer across diverse sectors.