



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM
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Submission Cover Sheet

Inquiry into drone delivery systems in the ACT

Submission Number: 108

Date Authorised for Publication: 27 February 2019

Submission to House of Assembly Inquiry into Drone Delivery Systems in the A.C.T.

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This Submission relates primarily to Terms of Reference (g);
information privacy.

Summary.

Alphabet (Google) is in the data collection and aggregation
business.

Up to 10000 flights a day could have the potential to record
information on both users and also Canberrans who may not be
users of the drone service.

It is a matter for debate whether the purported benefits of the
service outweigh the potential loss of privacy by the vast majority
of Canberrans who will not be users of the service.

At a minimum, Wing's Privacy policy needs to cover non-users,
and undertakings by Wing covering this data need to be enforceable
by the ACT Government.

The benefits report commissioned by Wing is simplistic, and the
Committee may wish to have it subjected to independent analysis.

The Committee may wish to seek further information on the
following:

1. For non-users of the service, what data is collected by Wing, and how is that data stored
2. Is this data able to be aggregated with any other data held by Alphabet
3. Is Wing able to change the scope of data it collects from non users, and rules around sharing with other entities
4. Will individual non-users have the right to access and remove any data held on them by Wing
5. What are the legislative provisions covering the capture and storage of this data on non users
6. Will the ACT government legislate to protect non-users privacy
7. Which ACT government agency has responsibility in this area.

Background

Alphabet-Google's parent company- is close to the largest company in the world. By early 2018 Alphabet, had 85,050 employees and a market capitalisation of \$727bn, making it the second most valuable public company in the world, beaten only at that time by Apple.

Its core business model is the collection and monetization of data.

Wing is not some local hi-tech start up, but is part of Alphabet.

Data Collection

Looked at in this context, one could speculate that an important function of the Wing proposed drone service is the collection of data. Consistent with Google's operating model, a service is provided to users, which generates a flow of data.

Wing indicates that there could be more than 10,000 drone flights a day once things get up and running (CT 10 December).

Of course, as those drones fly over our houses, they may have the potential to record our comings and goings, how many children live where, what sort of car is in the driveway etc. And it will be difficult to know if a specific flight is actually delivering something, or

returning from a delivery, or just flying overhead recording information.

At the risk of sounding dramatic, the Wing drone delivery system could form the basis of a surveillance network.

Wing's Privacy Policy Australia on its website relates to users of the service. It allows, both automatically and by consent, to the sharing of data. This can be argued as reasonable-as with the use, for example, of other Alphabet services. Users opt-in. These users are also covered by Federal legislation, as a smartphone app is used.

The drone service also collects data on non-users. The Wing website indicates that:

The drones have downward-facing cameras that could gather images of your property (and persons on that property) while they overfly.

The data the camera captures is a low-resolution and greyscale format, and is only available to a small group of engineers for the purpose of analyzing safety and performance criteria.

It is not clear what policy and regulatory frameworks cover any such information. The Wing Privacy policy only covers users of the service.

Wing could also, presumably, at its discretion, change the quality of the information it collects from non-users, and indeed, who has access to it. This information could be shared with other Alphabet companies.

The legislative and regulatory arrangements governing the capture, storage and use of this information need to be clarified. This is presumably an ACT Government responsibility.

Further, if Wing gives agreed undertakings regarding this data, for example, as to its quality and who it is shared with, these undertakings should be enforceable, and penalties applicable for breaches.

Non-users do not opt-in, gain no benefit and have no contractual relationship with Wing, and so need government to protect their

privacy.

It preferable for all concerned to get this right at the beginning, rather than trying to catch up later.

Benefits outweigh the costs?

While a matter for judgment, Canberrans may not be willing to trade off possible loss of privacy for the purported benefits.

The report commissioned by WING ¹ should not be taken as a balanced assessment. For example, its headline finding is that drone delivery will 'grow' retail sales by \$30-40 million in 2030. All things being equal, this spending will lead to reduced spending elsewhere. Depending on how that plays out, the effects on employment, and some businesses, could be negative. The report's assessment of environmental impacts is also selective.

The Committee may wish to have the report assessed independently.

¹ Submission no 12

Faster, Greener and less Expensive

The potential impact of delivery drones in the Australian Capital Territory.
Report prepared by Alpha Beta for Wing, November 2018