# Three Privacy Breaches (and What We Can Learn From Them)

Presentation to the Law Society of Nunavut June 26, 2024 John L. MacLean CIC.C, Senior Legal Counsel Government of Nunavut

### Disclaimer





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## Outline

### What is a Privacy Breach?

### The Tell-Tale Blog

### The Privacy Breach Cup

Privacy Breaches: there's an App for that



# What is a Privacy Breach?

Overview

## **Relevant Legislation**

#### Territorial

- Access to Information and Protection of Privacy Act, C.S.Nu., c. A-20 ("ATIPP")
  - Applies to all territorial public bodies

#### Federal

- Privacy Act, R.S.C. 1985, c. P-21
  - Applies to federal institutions
- Personal Information Protection and Electronic Documents Act, S.C. 2000, c. 5
  - Applies to private sector organizations using personal information for commercial activities

## A Privacy Breach is:

- Any unauthorized:
  - Collection
  - Use
  - Disclosure
  - Access
- Involving personal information that is in the custody or control of:
  - A public body (ATIPP Act)
  - An institution (Federal Privacy Act)
  - ► An organization (*PIPEDA*)

## Data Breach vs. Privacy Breach

#### Data Breach

- Any unauthorized collection, use, disclosure or access to an organization's information
- Typically involves commercially sensitive information

### **Privacy Breach**

- Always involves identifiable personal information
- All privacy breaches are data breaches, but not all data breaches are privacy breaches

## Today's Examples

- We'll be looking at three privacy breaches
- All are true stories and matters of public record:
  - One is from Nunavut
  - One is from the United States
  - One involves a major national food service company
- Each is an example of a common privacy breach



# The Tell-Tale Blog

## The Breach

### A Mental Health Nurse working in a Nunavut community writes a blog about "Life North of 60"



### The blog doesn't name names, but reveals information about:

Conflicts with her roommates, who were also colleagues; and

Her clients, who could be easily identified

## The Response

#### The Mental Health Nurse lost her job

### The Department of Health:

- Issued a take-down notice for the blog;
- Notified the Information and Privacy Commissioner;
- Notified the affected individuals; and
- Increased the frequency of privacy training

## Lessons Learned



## The Privacy Breach Cup

And the law of unintended consequences

## The Breach

Nurses complain about the timed lockouts on their computer terminals

The nurses had to re-enter their password every time the computer locked out

As a solution, the Hospital's IT team installs a sensor at every computer terminal

Nurses discovered how to by-pass the sensor with an XL to-go coffee cup, so the computers never lock out

Now, everybody in the waiting room can see patient information on the computer screens.

## Lessons Learned





Coffee cup was recycled



Hospital increased its privacy training



The IT department went back to the drawing board

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## Lessons Learned

This case is a textbook example of: 

- Users finding workarounds for the employer's privacy and security programs
- Employers instituting programs that may be unsuitable for their environment
- IT solutions solving one problem while creating another, larger problem
- Involve employees when designing programs and solutions, and
- Don't deploy solutions until you're sure that they are fit for purpose.



# There's an App for That

Coffee with a side of privacy breach



## The Breach

- Tim Hortons used a new version of its App to track and collect location data from its users, including when the App was turned off
- Users consented to the data collection, but only when the App was in use
- Tim Hortons intended to use the data for the purposes of targeted marketing, but it never used the data

### The Response

- Joint investigation by the Privacy Commissioners of Canada, Quebec, Alberta and BC determined:
  - Tim Hortons did not have a legitimate need to collect vast amounts of location data
  - Tim Hortons did not obtain valid consent (violating Principle 4.3 of PIPEDA)
  - The contract between Tim Hortons and its App Developer contained vague and permissive language on what information could be collected and how it could be used
- Tim Hortons deleted the data and agreed to implement and maintain a privacy management program

## Lessons Learned

- Proportionality: is the loss of privacy proportional to the benefits to the commercial activity?
- Precise contract drafting can reduce the risk of a privacy breach
- Organizations should ensure that their clients understand how their information is being collected and used

## The Cost of Privacy Breaches



Financial: The cost of mitigating a privacy breach can be as much as 15 times higher than the cost of implementing a privacy and security program

Global average cost of a privacy breach in 2023: \$4.45 Million US or \$165/record



Reputational: privacy breaches erode public confidence in your organization;



Employment: individuals who breach privacy legislation are subject to disciplinary action, up to and including termination

## Summary

- Like nature, privacy breaches will always find a way
- Preventing privacy breaches will always engage:
  - Physical Safeguards (i.e., locks on doors, access controls)
  - Administrative Safeguards (i.e., policies, procedures, training)
  - Technical Safeguards (i.e., encryption, data masking)
- As in all contracts, precision matters
  - Engage subject matter experts
- Protect your clients' personal information
  - Know your obligations as a custodian

## Sources

- The Tell-Tale Blog:
  - Review Report 16-106 (Re), 2016 NUIPC 10 (CanLII)
- The Privacy Breach Cup:
  - Jim Blythe, Ross Koppel, and Sean W. Smith, "Circumvention of Security: Good Users Do Bad Things" (IEEE Security & Privacy, vol. 11, Sept/Oct 2013, pp. 80-83)
- There's an App for That:
  - Joint Investigation into Location Tracking by the Tim Hortons App, PIPEDA Findings #2022-001, 2022 CanLII 50894 (CanLII)
- Costs of Privacy Breaches:
  - ▶ IBM Security Cost of a Data Breach Report, 2023

## **Questions?**

- Now's the time to ask, or contact me by phone or email:
  - ► John L. MacLean CIC.C
  - ▶ jmaclean@gov.nu.ca
  - ▶ (867) 975-6323