

Data (R)Evolution: Consumer welfare and innovation in the digital economy

Tuesday 19th November 2019, Arts Centre, Melbourne

CEO ADDRESS, Lauren Solomon

A warm thank you to Aunty Joy Wandin Murphy for your moving welcome. I would also like to begin by acknowledging that this meeting is being held on the traditional lands of the Wurundjeri people of the Kulin Nation. And I would like to pay my respects to their Elders past, present and emerging, and to Elders from other communities who may be here today.

Aunty Joy, our team has been looking forward to hearing you share your wisdom again since our last conference in April.

In the spirit of walking and working together, we're so pleased to be hosting a discussion later today on Indigenous data sovereignty - ensuring people, and communities have more of a say in how data is used will be essential to a more inclusive future.

Thank you to Minister Kairouz and the Victorian Government for your support and commitment, investing in the creation of CPRC as an independent consumer research organisation to inform evidence-based policy and business practice change. Without that investment, we simply would not all be here today.

Thank you also to Senator Hume for sharing some of the Australian Government's agenda to better empower consumers with their data through the consumer data right reforms. We also continue to work with your government on the implementation of that reform to ensure consumers can safely and fairly share data on their terms.

I'd also like to recognise ACCC Chair Rod Sims, e-Safety Commissioner Julie Inman-Grant, Australian Human Rights Commissioner Ed Santow and Interim National Data Commissioner Deb Anton.

To the CPRC Board, colleagues and finally to all of you wonderful humans joining us here in this room today, or beaming in from abroad.

Whether we realise it or not, we are currently engaged in one of the most significant live experiments on the planet.

We are adopting technologies with a lot of promise, faster than we can fully understand the implications.

Today's conference entitled Data (R)Evolution goes to the heart of a question that we must confront if we are to take a modern Australia into the digital age. Can we simply continue to evolve and tinker with our existing policy frameworks or do we require a more radical rethink of markets, welfare and fundamental protections?

A sustainable, informed, public policy response must be developed with diverse perspectives and expertise.

That's why today's agenda and the participants in this room bring different approaches, theoretical frameworks and practical experience.

Because, we hear from people in industry who are deeply concerned about the technologies that they feel they will soon need to deploy to remain competitive.

They are the ones being forced to make moral and ethical choices, often alone, without clear, principles-based laws to prevent misuse.

They are also the ones concerned about a lack of policy certainty undermining long-term investment in data-driven innovation that can deliver significant societal benefits.

We also hear from people in the community sector who are inspired by how data and AI can better identify and support people in need, but who aren't sure how to get started, or how to access the data.

We believe in the ingenuity of our researchers, engineers, data scientists, advocates and economists - to work together and to develop a governance framework that can guide us into a safer, fairer digital age.

Data and technology can clearly improve societal outcomes, from improving traffic flows, to developing life-saving medications, to identifying fraud, to fostering competition.

But we also need to be live to the emerging risks.

We must pay much closer attention to the value flows that are being created through the mining and processing of our movements, our beliefs, opinions, relationships and transactions.

This is an economic question. Just as much as it is a social one.

Since our first data conference here in Melbourne last year:

- According to the OAIC, in the 12 months to March 2019, at least 4.5 million Australians have had their data and personal information compromised in a data breach.
- AI firm Dessa generated the first synthetic voice of podcaster Joe Rogan. Dessa say this synthetic voice can be generated of anyone, all they need is enough voice data.
- A class action of 250,000 consumers in Europe is seeking compensation from Facebook for the collection and processing of their data without consent.
- The ACCC handed down their Digital Platforms Inquiry final report which concluded that significant market and regulatory failure has prevented Australian consumers from making informed choices with their data.

Our Day in the Life of Data report released earlier this year demonstrated the pervasiveness of data collection in our daily lives.

From the moment we wake up in the morning, to dropping children at school, purchasing groceries, booking a gym class, or watching tv when get home – all of these activities generate pieces of information about who we are.

Combined, they are used to make predictions about our interests, how profitable we might be as a customer, who our family and friends are, our health, our personality, our fears, our beliefs.

No longer do you need access to medical records to know if someone has an illness, has experienced trauma, or might be receiving certain treatments.

This is in the locations we visit and the websites we browse.

It's in our homes, cars, streets, schools, on websites, as we pick up our phones.

It's somehow crept up on us this new requirement often an unfair bargain to hand over significant amounts of personal information not only of ourselves but of our loved ones, simply to buy basic goods and services.

Data is changing the relationship between consumers and companies.

Consumers are no longer just purchasers of products and services, we're also now suppliers of data and information.

We have reached the privacy tipping point.

Australian consumers are not in control over their data.

And it's the wild west in terms of what companies are able to do with it.

Consumers aren't being provided meaningful choices, and they expect the law to protect them.

The malaise of learned helplessness is palpable.

Technology just seems to happen to us.

But humans create technology.

Humans create markets.

And we have long-standing principles, and values that can guide our policy development and set the rules of engagement.

Technology is not the problem here.

The problem is when companies collect data in a way that we didn't agree to and use it in ways that make us worse off. But we can do something about it.

To increase transparency – we can change our outdated privacy laws to require clear information about what's being collected and what it's being used for. We can require that companies obtain meaningful consent to collect and process data – so that consumers no longer face 8000-word privacy policies and a take-it-or-leave-it propositions, just to access basic services.

To increase safety – we can introduce a general safety provision that considers privacy and security, especially for the IoT devices making their way into homes around the country.

To deliver fairer outcomes and build trust – we can prohibit unfair commercial practices, just as in other jurisdictions. And we can better resource regulators to enforce the law. To ensure we're getting a fair deal – we can invest in research and trials that explore ways to more fairly share in the collective value of our data between firms, governments, communities, consumers.

We can foster and support the innovation that improves lives. Innovation that increases access for people who may have previously been excluded. That protects and respects fundamental rights. That fairly shares in the value that is being created.

And we can guard against innovation that amplifies bias and discrimination. That rips value out of the Australian economy and community. That exploits vulnerabilities.

Data will soon be our most valuable resource. We need a comprehensive governance framework and we need pro-active and empowered market stewards.

So throughout today we hope you hear ideas, research and perspectives from those you don't normally engage with. That you develop a different take on your project, product, policy process, or research. There are complex trade-offs with the regulation of data and technology that require careful, deliberate and thoughtful discussion.

It would be remiss of us to assume that just because consumers are fuelling a large part of this dynamic that only consumer policy has something to offer. There are flow on impacts to other fields and aspects of society that we can and should discuss collectively.

Important and valid considerations from experts in human rights, privacy, safety, trade and diverse communities can and should be heard. Together we can focus on ways to empower individuals and communities, to better share in collective benefits, and foster true innovation with purpose.

This is partly why we wanted to have a solutions-focussed session at the end of the day to foster ideas for collaboration and change. At 3.30pm this afternoon we'll be drawing on the collective wisdom of this room and asking four questions.

I'd like to raise these questions with you now so that you might ruminate throughout the different sessions today.

1. How can we build greater consumer and community trust in data-driven technologies?
2. How can we better share in the value of data-driven innovation?
3. What minimum protections will be essential?
4. Who needs to be involved?

Each table has a question on it which we are going to ask you to discuss in the four corners of this room this afternoon. There are also post it notes on your tables. When you have a suggestion or idea throughout the day, please jot it down and save it for this session. So we encourage you to ponder, to ask more questions and reflect as you hear more from the wonderful gathering of people in this room.

Economist Mariana Mazucatto in her recent book *The Value of Everything* calls for closer inspection and consideration of public value when we design our policies and legislation:

“Big data can be governed so that it reflects the public data and publicly funded infrastructure upon which it rests.

This means that we must not hype up technological advances, but recognise the collective contribution that created them, and govern them so that they produce a public good...

Economic growth without innovation is hard to imagine. But innovation must be properly governed to make sure that what is produced and how it is produced, leads to value creation and not gimmicks for value appropriation.”

Because surely this is what it is all about how we foster innovation that improves lives and how we can better share in the collective benefits.

With great data comes great responsibility. We believe in the ingenuity, intellect and capabilities of the Australian policy community. Many people in this room have an important role to play. I also believe that – we, in this room - have a special responsibility to support, and to listen to, those who aren't able to be in rooms like this every day we need to bring our communities with us on the journey.

Together, we can build a better future – one that engenders trust, safety, fairness and fosters sustainable economic growth.

That's a future that we can and should create.

Thank you.