



PIPA CASE SUMMARY P2006-CS-013

Property management company collected excessive personal information from tenants on rental application forms.

Summary

The Complainant objected to the extent of personal information collected by Bella Management & Realty Ltd. (“Bella Management”) on its rental application form. She believed that the request for a Social Insurance Number (SIN), credit card numbers and bank account numbers was unreasonable.

Bella Management stated it collects SINs in order to obtain credit reports, for which consent is sought on the application form. The Organization indicated that credit card and bank account numbers are collected to “cross check” information on the applicant’s credit report and evaluate creditworthiness. The Organization acknowledged that many individuals do not remit this information, but their applications are still considered.

Jurisdiction

The *Personal Information Protection Act* (“PIPA”) applies to provincially-regulated private sector organizations operating in Alberta, including Bella Management. The Commissioner has jurisdiction in this case because Bella Management & Realty Ltd. is an “organization”, as defined in section 1(i) of PIPA. Section 36 of PIPA empowers the Commissioner to conduct investigations to ensure compliance with any provision of PIPA and make recommendations to organizations regarding their obligations.

Analysis & Findings

Section 11(2) of PIPA requires that organizations limit collection of personal information to the extent necessary to fulfill a reasonable purpose. The SIN was created for the purpose of administering national social programs and income reporting. The OIPC takes the position that individuals should only remit their SIN when required by law. This is especially important given the ease with which fraud may be perpetrated by misuse of this number. Since a credit report may be obtained with only a full name and date of birth, and a SIN is not required to yield credit inquiry results, a SIN is not necessary to meet the Organization’s purpose of establishing creditworthiness. This Office made a similar finding regarding SINs in Investigation Report P2004-IR-01, and the Privacy Commissioner of Canada in PIPEDA Case Summary #256 and others.

The investigator found that bank account and credit card numbers are not reasonably connected with a decision to offer tenancy. The credit report already provides information about a prospective tenant’s creditworthiness and record of debt repayment, which is what the Organization is seeking. Bella Management could make no reasonable use of these numbers and appeared to be collecting them for their own sake. This amounted to an unreasonable purpose for collecting sensitive personal information and therefore a violation of section 11(1) of PIPA.

The investigator acknowledged the Organization’s concern about rigorous screening of tenancy applicants to ensure it rents property to reliable individuals. However, organizations must limit personal information to that which is essential to make this decision. Evaluating individuals’ past credit payment behaviour and confirming income sources may be useful, but a less privacy invasive means of establishing tenants’ reliability may be to obtain past landlord references. The investigator reminded the Organization to use the established remedies available to landlords to protect itself from non-payment of rent. Those remedies include: applying to court to end tenancy; giving a “14-day Notice” of termination of tenancy; applying for a “landlord distraint” (tenant property seizure to satisfy debt); deducting the debt from the security deposit; using Alberta Government Services Residential Tenancy Dispute Resolution Service; hiring a collection agency to collect the debt; or filing a civil claim.

Recommendation

The investigator found that the Organization contravened sections 11(2) and 11(1) of PIPA.

The investigator recommended that the Organization clarify on its application that provision of the SIN is optional and delete the request for any banking and credit card information. It was also recommended that Bella Management improve the notification and consent language when explaining that a credit report and employment confirmation would be collected and to request consent to collect former landlord references. The Organization also agreed to develop and follow a privacy policy as required by section 6 of PIPA. The complaint was resolved accordingly.