

**PIPA CASE SUMMARY P2007-CS-004***Retailer collected SIN without reasonable purpose.***Summary**

The Complainant explained that Wal-Mart Canada Corp. ("Wal-Mart") has a reciprocal program that recognizes its partners' employees with a discount towards purchases. Partners are other retailers and service-providers located inside Wal-Mart stores. As a partner's employee, the Complainant was required to complete a form that requested her Social Insurance Number (SIN) in order to receive the Wal-Mart discount card. The Complainant alleged that since Wal-Mart is not her employer, it is not reasonable for it to require her SIN.

Wal-Mart stated that some time ago it ceased using its employees' SINs as their identification numbers. Wal-Mart created its own numeric identifier called the Wal-Mart Identification Number (WIN) for its employees, which is linked with their SINs on Wal-Mart's computer system. Unfortunately, WINs could not be issued to partners' employees, and discounts could not continue to be offered to them without a numeric identifier to track discounted purchases. As a result, the Organization continued to collect and use SINs for partners' employees to offer them discounts.

Jurisdiction

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

Analysis & Findings

Sections 11(1) and 16(1) of PIPA require that organizations only collect and use personal information for purposes that are reasonable. Using partner employees' SINs to offer discounts is not reasonably required or necessary for the purpose. The fact that certain partners offer Wal-Mart employees a discount without their SINs demonstrates that the provision of a discount can be accomplished without the SIN. The SIN merely offers a readily available unique numeric identifier that enables tracking. At issue is an organization's internal capacity to track individuals and their discounted purchases. There are, of course, less privacy intrusive means of doing so.

Since the SIN is vulnerable to various types of fraud, use of this number should be limited to legislated purposes such as income reporting. In PIPEDA Case Summary #159, the federal Privacy Commissioner stressed that a SIN is not a *de facto* identifier and should only be used for legislated, social benefit purposes. In PIPEDA Case Summary #146, the federal Commissioner concluded that a complaint about an employer using employees' SINs as employee ID numbers was well-founded. Since Wal-Mart is not the employer for partner employees, there is no income to report nor any administration of social benefits.

It was noted that the Wal-Mart form seeking partner employees' SINs for enrolment in the discount program did not explain the purposes for which the SIN was being collected beyond stating that it was required for participation. This is not in compliance with section 13(1) of the Act which requires that before or at the time of collecting personal information, an organization notify that individual as to the purpose for which the information is collected.

Recommendation

The investigator found that the Organization contravened sections 11(1), 16(1) and 13(1) of PIPA.

It was recommended that: Wal-Mart cease collection and use of partner employees' SINs; implement a new process for numerically identifying partner employees for the purpose of the discount; permanently delete the SINs of all partner employees from the Wal-Mart computer system; securely destroy the paper forms on which all partner employees' SINs were collected; and notify all partner employees of the new practice. Wal-Mart was cooperative throughout the investigation and accepted the recommendations. The Complainant agreed to this resolution and the file was closed accordingly.