

**PIPA CASE SUMMARY P2007-CS-007*****Insurance Broker failed to safeguard personal information found in garbage.*****Summary**

The Complainant reported that she came upon a garbage bag split open and full of paper. Other paper strewn across the alley also originated from the bag. The papers were insurance forms containing personal information about clients of MBS Insurance Brokers Ltd. ("MBS") and included information such as client names, addresses, policy numbers, policy details and insurance coverage. The Complainant reported the incident directly to MBS; however, when she retrieved more papers in the area the following day, she reported the matter to this Office.

MBS confirmed that the garbage bag full of its documents had been left outside of its building. The day the Complainant made MBS aware of the incident, MBS removed the papers which had scattered on the roadway and alley, as well as the bag itself. MBS explained it was disposing of old records that were no longer required. These records were placed in recycle boxes provided by the building landlord. Once filled, the bags from the boxes were placed along the office wall, separate from actual garbage, for cleaning staff to remove. MBS believed the bags would be placed in a locked compound prior to pick-up by a recycling or shredding truck. Apparently, cleaning staff instead placed the bags in the garbage.

Jurisdiction

The *Personal Information Protection Act* ("PIPA") applies to provincially-regulated private sector organizations operating in Alberta, including MBS. The Commissioner has jurisdiction in this case because MBS 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 the Act and make recommendations to organizations regarding their obligations.

Analysis & Findings

Section 34 of PIPA requires an organization to protect personal information in its custody by making reasonable security arrangements against risks that include unauthorized access, collection, use, disclosure, copying, modification, disposal or destruction.

It has been established by this Office that disposing of personal information without first shredding it is not a reasonable safeguard. In Investigation Report P2005-IR-001, an organization was found to have contravened section 34 of PIPA by disposing of personal information in a dumpster. This information had not been shredded and was recovered in a motel room during a police investigation. In Investigation Report P2006-IR-003, an organization was found to have contravened PIPA when it disposed of records containing personal information by placing them in a dumpster, again without first shredding them. These records also came to the attention of police during an investigation.

In this case, the Complainant, an unauthorized party, obtained access to MBS records. The investigator found that MBS contravened section 34 of PIPA by failing to make reasonable security arrangements to protect personal information. It was not reasonable for MBS to assume, without confirmation, that the bags of records would be placed in a locked facility or that building management would shred records prior to recycling them.

Recommendation**The investigator found that MBS contravened section 34 of PIPA.**

MBS agreed to the following: to train staff to shred all personal information records prior to recycling or disposal; enhance its internal policy to include this expectation, as well as other expectations to safeguard customers' personal information; improve its privacy policy by adding safeguarding details, and ensure that senior management review resources on protecting personal information. The Complainant was satisfied with this course of action and the complaint was resolved accordingly.