8th August 2016

Data Access Inquiry Productivity Commission Level 2, 15 Moore Street Canberra City ACT 2600, Australia

By email: <u>Data.Access@pc.gov.au</u>

Dear Commissioner Harris,

Facebook welcomes the opportunity to provide information about our policies and tools that may be helpful to the Commission as it considers the issues of data availability and use. Facebook shares the Commission's views on the importance of privacy and the ability of data to drive innovation and benefits in our economy and our society.

At Facebook, we believe strongly in the potential of data to improve people's experiences on our service, and to improve the world at large. We also believe that it is both possible and important to use data in ways that respect the privacy and autonomy of individuals, and to build technologies that enable this goal. To that end, we have worked to develop new and innovative tools to use data to benefit our community, and to do so in ways that protect people's privacy.

One example of the benefit that data analytics can bring to society is the Facebook accessibility team's "alternative text messaging" project, which is working to help visually impaired people understand what is in photographs shared on our services. Through advancements in object recognition, this technology helps millions of people with visual impairments, providing them with descriptions of a photo's content that would otherwise remain inaccessible to them.¹

Another example is Safety Check. Safety Check is a simple way for people to tell loved ones that they are safe during a crisis. When an incident occurs, people get a notification asking if they're safe, so Facebook can let friends know.²

To identify people in an affected area, Facebook uses their profile city, the city where they use the internet, and, for those who have opted-in to the feature, location information associated with our Nearby Friends feature. People identified as in an area during a crisis will receive a prompt asking if they are safe. They can click on the prompt to mark themselves safe or mark themselves out of the

 $^{^1}$ For more details please see: $\underline{\text{http://newsroom.fb.com/news/2016/04/using-artificial-intelligence-to-help-blind-people-see-facebook/}$

² More details about Safety Check can be found here: http://newsroom.fb.com/news/2014/10/introducing-safety-check/

area if we incorrectly identified their location or they do not wish to share their location. After marking safe, the person's friends will be notified that they are safe and the person can invite other friends to mark safe.

Facebook has activated Safety Check after disasters 20 times in 2016 alone. Over one billion people have been reached by Safety Check following a crisis. This spring, for example, three million people were marked safe after the earthquake in Ecuador, and over 85 million people were notified that a friend was safe. After the Nepal earthquakes of 2015, 8.5 million people were marked safe and 150 million people were notified that a friend was safe.

Before responding to your specific questions, we thought it may be helpful to provide some background information about our policies and tools to give more detailed context to our responses.

Facebook's Privacy Policy & Tools

At Facebook, our mission is to make the world more open and connected. There is a significant and growing body of research demonstrating the social and economic benefits of connectivity, including: greater economic opportunity, reduced poverty and hunger, improved access to healthcare and education services, and increased empowerment and opportunities for women.³ Indeed, research by Deloitte found that Facebook could add \$6 billion in economic impact and create 62,000 jobs in Australia through improving efficiencies in marketing communications and creating opportunities for networking.⁴ We believe that the internet is a necessity for economic growth and development, and a tool that makes larger things possible. It is our goal to help connect the world to the internet and to each other, so that everyone can realize the benefits of being online.

We realise that we won't be able to achieve this goal without the trust of the people we serve if they don't have confidence that they can control the information they share on our platform. When people choose to communicate on Facebook, they're trusting us to treat their information with respect and to put them in control of who sees what they post. Our responsibility to uphold that trust is why privacy is at the core of everything we do at Facebook, and why we work every day to ensure that as we're building new ways to help people connect, we're also helping people stay in control of their information.

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³ See e.g., Colin Scott (2012): Does broadband Internet access actually spur economic growth? available at https://people.eecs.berkeley.edu/~rcs/classes/ictd 9 WEF Global Information Technology Report 2015: Chapter 1.2 (ICTs, Income Inequality, and Ensuring Inclusive Growth); Chapter 1.4 (ICTs for Inclusive Growth: E-Entrepreneurship on the Open Internet); Key messages from the Networked Readiness Index (ICTs contributions to shared prosperity, page 18) 10 ITU and Cisco, Harnessing the Internet of Things for Global Development, available at http://www.itu.int/en/action/broadband/Documents/Harnessing-IoT-Global-Development.pdf 11 World Bank, World Development Report 2016 12 World Bank, World Development Report 2016 13 Melhem, Samia, Claudia Morrell, and Nidhi Tandon. 2009. "Information and Communication Technologies for Women's Socioeconomic Empowerment."

⁴ Deloitte (2015): Facebook's global economic impact *available at* https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/technology-media-telecommunications/deloitte-uk-global-economic-impact-of-facebook.pdf (commissioned by Facebook).

Our Data Policy, which people agree to when they create an account, and which is linked to throughout the site, outlines what information we collect and how that information is used. Our Data Policy (https://www.facebook.com/full_data_use_policybuilds) and our Statement of Rights and Responsibilities (https://www.facebook.com/legal/terms) expressly state "You own all of the content and information you post on Facebook, and you can control how it is shared through your privacy and application settings."

To help people make informed choices when they use Facebook, we have built Privacy Basics (https://www.facebook.com/about/basics), which offers interactive guides to answer the most commonly asked questions about how you can control your information on Facebook. For example, you can learn about untagging, unfriending, and blocking, and how to choose an audience for your posts. This information is available in 36 languages.

In an effort to ensure that people are sharing with their intended audiences, we have rolled out Privacy Checkup — a prompt people encouraging people to review and control with whom they share information on Facebook.⁵ Nearly 9 in 10 people (86%) who start Privacy Checkup finish all three steps.

In addition, we are increasingly using in-product notifications in an effort to remind people about the privacy tools available to them when they choose to share on Facebook. For example, we have included reminders for people choosing to post publicly (more details: http://newsroom.fb.com/news/2014/05/making-it-easier-to-share-with-who-you-want/).

People also have several controls that can help them manage their information even after they have chosen to share it on Facebook. These include:

- Audience selector: Every time people share something a post or a photo or a link they choose exactly who can see it. More details here:
 https://www.facebook.com/help/120939471321735
- *View As*: anyone with a Facebook profile can see what their profile looks like to the public or to any one person on Facebook. More details are here: https://www.facebook.com/help/288066747875915
- Activity Log: by accessing Activity Log, a person can see all of their stories on Facebook and
 easily manage them either by changing the audience setting or removing them. More details
 are here: https://www.facebook.com/help/256333951065527
- *Download Your Information:* any person can download the information from their account via this tool. More details are here: https://www.facebook.com/help/405183566203254
- *Unpublish or delete an account:* anyone can deactivate or delete their account at any time. For details on deactivation, see https://www.facebook.com/about/basics/what-others-see-

⁵ More details about Privacy CheckUp are available here: http://newsroom.fb.com/news/2014/09/privacy-checkup-is-now-rolling-out/)

- <u>about-you/deactivating/about</u>, and on deleting an account see <u>https://www.facebook.com/help/22456289</u>
- Native control for use of third-party data for advertising: there are controls for how we use data for advertising, especially for data from third-party sites, which can be found under https://www.facebook.com/settings?tab=ads

We promote awareness of these tools not only through in-product notifications, but also through our Privacy Basics resource, the Facebook and Privacy Page: https://www.facebook.com/fbprivacy, which has over 2.6 million likes, as well as through awareness initiatives such as Asia Pacific Privacy Authorities' Privacy Awareness Week.

Research and Data Analytics for Good

At Facebook, we do research to improve our product, community, and society.

Innovation is often driven by intuition; but research allows companies to test whether new products are improving people's experience on a small scale before being deployed to a broader population. For this reason, organizations of all types use randomized control trials called A/B tests to decide which products to design and implement. Most of the research we conduct involves standard product improvements evaluated through A/B tests – for example, evaluating the effect of changing the size or color of a button. This type of research is common across academic, government, and industry, and it is important for informing data-driven decision-making.

Incremental, data-driven changes help us make educated product changes that improve people's experience using Facebook. We also conduct studies – using additional research techniques including observational analyses, surveys, and focus groups – to understand how people are using the platform so that we can create a better experience for our community. One recent observational study⁶ published at a prominent computer science conference examines how people show support for friends on Facebook. We found that likes are common for posts that are positive in tone, but comments are a more common reaction to negative posts. This insight helped inspire "Reactions", an extension of the like button that gives people more ways to respond to posts on Facebook. Our compassion research team⁸ studies how Facebook can help people during life's most difficult moments, so that we can develop tools that address issues like breakups⁹ and suicide prevention. And, as previously discussed, we use data and advanced analytics to build tools to create a more inclusive community on Facebook and to help friends and family connect with loved ones impacted in a crisis.

Because of the scale at which we operate, we have the ability to have a window in to the world. As a result, we are able to conduct research that helps us understand global trends and the implications of

⁶ See https://research.facebook.com/blog/support-when-you-re-feeling-blue/?pnref=story

⁷ See http://newsroom.fb.com/news/2016/02/reactions-now-available-globally/

⁸ See http://www.nytimes.com/2016/03/13/fashion/facebook-breakup-compassion-team.html

⁹ See http://newsroom.fb.com/news/2015/11/improving-the-experience-when-relationships-end/

¹⁰ See http://www.washington.edu/news/2015/02/25/forefront-and-facebook-launch-suicide-prevention-effort/

increased global connectivity. With greater understanding, we can more effectively amplify the positive consequences of connectivity, and also mitigate negative ones. Some recent studies include:

- How strong and weak ties help you find a job (https://research.facebook.com/blog/how-strong-and-weak-ties-help-you-find-a-job/)
- That people on Facebook are separated by three and a half degrees of separation (https://research.facebook.com/blog/three-and-a-half-degrees-of-separation/)
- The difference visibility makes to LGBT people by mapping major coming-out moments to the US Supreme Court marriage equality decision and the Irish referendum (https://research.facebook.com/blog/america-s-coming-out-on-facebook/ and https://www.facebook.com/notes/facebook/connecting-and-sharing-the-rainbow-love-on-facebook/1065940570111751)

We believe that these insights can not only enable better services and products within the Facebook family of apps, but they can also be of use to community groups and other important community stakeholders in promoting greater connectivity around the world, which in turn drives economic and societal benefits.

Any research undertaken is subjected to our Research Review Program (more details are here: https://research.facebook.com/blog/research-review-at-facebook/). This includes training of employees, research review and potentially an external expert review panel, depending on the nature of the work.

Specific responses

The Issues Paper explores a series of questions in relation to the availability of private data sets and the potential for the release of private data to be standardised or regulated to promote greater availability. As the above outline of some of the data analytics work that we have undertaken to promote accessibility, help people in times of crisis and provide insights in to how people share and connect suggests, it is likely too difficult for the government to define or regulate private sector data given the very different nature of data across industries and the diverse uses to which they can be put.

Given the strong incentives that industry has to improve and innovate on service delivery and to maintain trust and confidence in the utility of their products, these drivers are likely to continue to lead to industry leveraging data analytics for economically and socially beneficial purposes.

At Facebook, we make research available through our research portal (https://research.facebook.com/) and we work to actively promote awareness of the outcomes of our work.

The Issues Paper also explored the topic of consumer access to data. As outlined above, Facebook offers a variety of tools to provide people with access to the content that they choose to share on our services. This ensures that people have control of their information and can meaningfully

manage it. While we have worked hard to provide our community with powerful and easy-to-use access to the information we hold about them, we also recognize that our solutions are necessarily Facebook-specific. That is, the approaches we take on our service are unlikely to translate well to another website or app, let alone retailers, financial institutions, and many other organisations that collect information about people. For that reason, we do not consider that there is any one single answer to the Commission's question of what data would help consumers make more informed decisions. Instead, we have worked — and we encourage others to work — to identify the specific information that is most useful to consumers given the specific context in which we operate.

On the topic of people's ability to manage and remove their data, Facebook supports a right of erasure – namely, that people are able to remove information that they have contributed to a service and that, at that request, that information should be deleted forever. We believe people should have the right on Facebook to delete information they contribute to our service.

And indeed, Facebook has tools, policies and procedures in place to support a right of erasure. Chief among these tools is the ability to delete your account fully: https://www.facebook.com/help/224562897555674. We have other tools such as those mentioned above — Download Your Information and Activity Log, which help people review what data Facebook holds on them, so if they want to delete certain pieces of data, rather than their whole account, we make that easy to do also.

When you delete your account, people won't be able to see it on Facebook. It may take up to 90 days from the beginning of the deletion process to delete all of the things you've posted, like your photos, status updates or other data stored in backup systems. While we are deleting this information, it is inaccessible to other people using Facebook.

Some of the things you do on Facebook aren't stored in your account. For example, a friend may still have messages from you even after you delete your account. That information remains after you delete your account.

The Issues Paper touches on the topic of a right to be forgotten but this potentially goes much further because it raises significant issues for freedom of expression and the right of others to remember. In addition, it can result in measures that are technically impossible to apply.

We suggest that the Commission take into consideration the privacy by design features that Facebook and other companies build into their services to empower users to control their information and whether such tools address the concerns raised in the Discussion Paper.

On the topic of data security, Facebook invests in technology and controls that keep people and their information safe and secure. Protecting people's personal information is more important than ever, and that's why security is built into every Facebook product and design. We have built powerful systems to keep people's information secure; tools to keep people's accounts safe and extensive controls for people to take charge of their experience.

Some examples of the technology and activity that we have deployed to maintain data privacy and security are:

- Each day, we do 80 trillion checks to make sure people are seeing the right things on Facebook that's about 70 billion every minute.
- Our security systems run millions of times per second to catch threats and remove them before they ever reach you.
- We have obtained nearly \$2B in legal judgments against spammers by going after those who try to harm people on our platform.
- We have awarded millions to researchers through the FB Bug Bounty program (https://www.facebook.com/BugBounty/?fref=ts), for their work helping us quickly fix any issues in our code.

Extensive controls and grassroots education:

- People can choose from easy-to-use security tools on Facebook to help them add an extra layer of security to their account. Our Security Checkup (http://newsroom.fb.com/news/2015/07/enhancing-security-with-a-quick-checkup/) also offers tools to enhance the security of an account.
- People can also enable login approvals, which means they enter a code along with their password when they log in from a device or browser they haven't used before. More details are here: https://www.facebook.com/help/148233965247823
- Facebook is the only company to use the built-in strength of friend connections to enhance an account's security. For example, you can pick a few trusted friends to help you get back into your account if you ever lose access for some reason—if that happens, Facebook will send each of them a short code that you can use to get back in control of your account. More details are here: https://www.facebook.com/help/119897751441086

We promote awareness of these security and privacy tools and respond to questions from our community through our Facebook Security Page (https://www.facebook.com/security/), which has over 9 million fans. And we regularly participate in the Australian Government's Stay Smart Online initiative to promote tips and information about account security.

We trust that the above information is useful to the Commission as it undertakes this inquiry and we are happy to answer any additional questions the Commission may have.

Kind regards,

Mia Garlick Director of Policy, Australia & New Zealand