

Statement by the Hong Kong Call Centre Association

26 November 2011

Bills Committee on Personal Data (Privacy) (Amendments) Bill

Good afternoon, my name is Michael Cowell and I am the Treasurer of the Hong Kong Call Centre Association. We represent over 300 companies and individuals, involved in the management of call centres on behalf of a wide range of industry sectors, including; banking, insurance, telecommunications, logistics and outsourced call centres located in Hong Kong.

The importance of the call centre industry and the use of the telephone as a means of legitimately conducting business should not be underestimated.

The number of people employed within the call centre industry of Hong Kong is significant. In figures previously provided to OFTA, we have estimated the number of Hong Kong citizens who use the phone to generate a primary income, to be approximately 90,000 individuals. The economic value of this work is conservatively in the billions of Hong Kong dollars.

We are thus keenly aware of the sensitivities and importance in effectively managing personal data. A breach in data privacy or the loss of just one consumer through the mismanagement of data can have disastrous consequences on our members.

Fall out from the Octopus event represents a case in point. Despite being law abiding organizations with near perfect records of data compliance, two member organizations reported the loss of hundreds of well paying jobs and over HK\$50 million in lost income through no fault of their own. More disheartening was the impact on families trying to pay their school fees or make the rent, whose sole breadwinners had made a successful career in telemarketing.

However, we would like to point out that prior to the Octopus event, our Association, together with the Hong Kong Direct Marketing Association worked with OFTA to implement a Code of Practice (CoP). The CoP provides for Times of Calling, Identity & Purpose along with handling Unsubscribe Requests and Opt-outs. The CoP provides for an independent compliance audit by Hong Kong Quality Assurance Agency (HKQAA) which involves personal interviews, review of processes and random sampling to ensure compliance. I am pleased to report that within the first round of member audits conducted in October and November of 2011, there has been a 100% pass rate.

This impressive outcome by our members should come as no surprise. In a typical month our members will speak with millions of Hong Kong consumers. In doing so, it's critical that we maintain policies and processes that provide the highest levels of security with respect to personal data. Our Association members are experts at this and have a long history of respecting the rights of consumers in order to maintain their confidence and the long-term viability of their respective businesses.

However, we would like to use this opportunity to reiterate our strong support for the continuation of an opt-out regime within the Personal Data Privacy Ordinance. We believe the proposed amendments strike a balance between the needs of consumers and the small, medium and large businesses that help make Hong Kong so successful. As well, we would call on the government to consider greater funding for the education of consumer rights and obligations.

That concludes our statement for today. We wish to thank members of this hearing for their time in considering our position.