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Speech by Liam Connellan, Director General, Confederation of Irish Industry, at Irish Federation of Computer Users Seminar at Jurys Hotel, Thursday, 15th May 1986 at 10.00a.m.

DATA PROTECTION AND PRIVACY

The European Community is currently implementing a programme to create one large market within the Community by 1992. Our thinking on trade flows traditionally has been dominated by the trading in physical goods. However, in most industrial economies the services sector now accounts for a much higher proportion of employment than the goods producing sector.

It is estimated that the information services sector, comprising the processing of information, whether in education, banking, public service, professional and business services, or data transmission, now accounts for about half of total employment in the United States and Europe. The rapid development of information technology makes it possible to have interactive telecommunications, broadcasting, computers, videotext, and home data terminals, locally, nationally, and internationally. It is

Information Services

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having a profound impact on the way information is processed, and creates the possibility of transmitting and receiving information almost instantaneously from any part of the globe.

Major international trading companies can now process order enquiries from hundreds of different locations around the world, and obtain quotations in response within minutes from potential supply centres. Funds are transferred internationally day and night reflecting the relative movement of interest rates, exchange rates, and stock market prices. It is now estimated that international flows of funds each year are about twenty-five times greater than the flow required to pay for international trade in physical goods.

Financial Services

The development of satellite communications has enabled major universities throughout the United States to offer distance education programmes in hundreds of centres through television broadcasts and interactive communication between the students and the broadcast centre. Earlier this year University College Dublin transmitted fifteen lectures on water management by satellite to the University of Jordan at Amman. Students were able to interact with the lecturer in Dublin by a voice link.

Distance Education

In the newspaper industry a major national daily newspaper in the United States is simultaneously published in a number of centres from data which has been originated in one location. Many international newspapers are also published simultaneously using similar technology. This trend is likely to spread to many other manufacturing sectors. The development of flexible manufacturing systems will make it possible that production instructions for a variety of products can be transmitted simultaneously to a large number of plants in order to fill the needs of a local market. It is clear that such marketing, design, production or financial information has an exceptional commercial value. The main concern of industry is to protect information which has a commercial value, and to ensure that industry is not compelled to disclose such information where its disclosure would not be in the commercial interests of the enterprise or it could affect the security of Irish jobs. It is essential that adequate legal protection is afforded for business information of commercial value if Ireland is to benefit from the opportunities offered by developments in information technology.

Data Protection

The Confederation favour the introduction of legislation so that Ireland can comply with the Council of Europe Convention on Data Protection. It is necessary to ensure that the growing international trade by Irish

European Convention on Data Protection

companies in information technology and information transfer can be protected and advanced by ensuring the continued free flow of information across national boundaries. Five countries e.g. Germany, France, Norway, Spain, and Sweden have already ratified the Convention and Britain plans to do so in 1987.

At the level of the individual, industry recognises the need to balance the legitimate needs of commerce and the concept of privacy regarding the rights of individuals to seek control over and access to information about themselves. This right must also be balanced against the legitimate requirements of the State in relation to matters such as taxation, social services, and national security.

Data Privacy

Industry recognises that a Data Protection Act is necessary to outline the principles which should guide the holding of personal data, by Public Authorities and private organisations; the entitlements of individuals in relation to access to such personal data; and the security measures necessary to ensure that no unauthorised access or disclosure of data should take place.

Data Protection Act

The data covered by such an Act should relate only to information which is held in a form which can be read by a machine and automatically processed.

Industry will be concerned that to the extent that any Data Protection Act might impact on business and industry the compliance costs must be calculated prior to the introduction of the legislation. Industry would recommend that any proposals of the Joint Committee for Legislation should be published in the form of a consultative document so that all interested parties can give their views to Government before the legislative process is initiated.

I welcome the Seminar which has been organised today by the Irish Federation of Computer Users to outline the principles now being considered; the impact of such legislation; the administrative implications; the preparations which will be necessary in computer departments; and the implementation of security requirements.

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