

**ALBERTA  
INFORMATION AND PRIVACY COMMISSIONER**

**Report on the Investigation into Complaint  
Regarding the Disclosure of Personal Information  
By a Public Body**

**February 14, 2000**

**Alberta Treasury**

**Investigation # 1567**

**The Complaint**

On March 9, 1999 the Office of the Information and Privacy Commissioner received a written complaint regarding an alleged breach of privacy by Alberta Treasury.

The Complainant alleged that:

*"My detailed, personal financial information was gathered by or for Alberta Treasury as the basis from which to proceed with legal action. It also appears that this information was gathered not only surreptitiously, but illegally, and in contravention of the Freedom of Information and Protection of Privacy Act (the Act). Accordingly, this is a request for a review/investigation into the possible unlawful invasion of my privacy by/for Alberta Treasury."*

The Commissioner authorized an investigation pursuant to section 51(2)(e) of the Act which states:

*51(2) Without limiting subsection (1), the Commissioner may investigate and attempt to resolve complaints that*

*(e) personal information has been collected, used or disclosed by a public body in violation of Part 2.*

**Issue**

The issue for this investigation is:

*Did the public body or an agent of the public body collect and disclose personal information in violation of Part 2 of the Act?*

## **Investigation Findings**

During the investigation, the Complainant as well as officials from Alberta Treasury were interviewed. The following is a summary:

1. The Complainant had a student loan with the Government of Alberta which was in arrears.
2. In 1988, the debt was placed with Financial Collections Agencies (FCA), which is a private sector company, for the purpose of collection on behalf of the government. Successful collection would entitle FCA to a commission for the work done.
3. The debt was "sold" to FCA in 1992. Any monies collected would go directly to FCA.
4. The sale agreement between the Alberta Treasury and FCA included reference to "Collection Agency Guidelines for Collections and Control of Accounts Receivables - Alberta Treasury - Revenue Administration" (the Guidelines). The purchaser is required to abide by the Guidelines. These Guidelines are currently under review by Alberta Treasury.
5. The Guidelines make reference to complaints received by the government as follows: "In cases where the complaint is in writing, the letter will be sent to the purchaser from Crown Debt Collections requesting a response to the allegations."
6. The Guidelines also include a list of don'ts to be observed by individuals when collecting Crown receivables.
7. The sale agreement between the Government and FCA makes reference to when the Crown is to be involved in the collection after the sale. The only provision for Crown involvement is when the collector wishes to pursue collection via the legal route. Permission from the Crown is required for this step (currently under review).
8. Correspondence from FCA to the Complainant after the purchase of the debt still referred to FCA acting on behalf of the Crown.

## **Conclusion**

Financial Collections Agencies is not subject to the *Freedom of Information and Protection of Privacy Act*. FCA purchased the debt from the Crown outright in 1992. If they were acting on behalf of the Crown as they were prior to 1992, they would be subject to the Act.

## **Recommendations**

As a result of this investigation it is recommended that:

1. Collection agencies that purchase Crown debts for collection be required to advise clients that they now "own" the debt and the agencies shall not make reference to collecting on behalf of the Crown
2. Collection agencies that purchase Crown debts are required to adhere to the Guidelines published by Alberta Treasury and respond to any written complaints filed with the government in a timely manner. This adherence should be monitored by the Public Body and agencies need to be made aware of their responsibilities.
3. Once the debt is "sold" by the Crown, there should be no further involvement by the Crown in the collection of the debt. There is a requirement for the client to be advised of the transaction and informed as to who the contact is with the purchasing organization.
4. As the debt is owned by Financial Collections Agencies who are not subject to the *Freedom of Information and Protection of Privacy Act* this office has no jurisdiction over the complaint and the file should be closed.

Submitted by,

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Portfolio Officer