



Submission No. 74

Australian Government
Department of Transport and Regional Services

14 October 2003

Mr Bob Charles MP
Chairman
The Commonwealth Parliament Joint Committee of Public Accounts and Audit
Parliament House
Canberra

Dear Mr Charles

Re: Request for Information on Computer Related Security Breaches

I am writing in response to your request for information dated 16 September 2003 relating to computer security breaches that have occurred in the Department of Transport and Regional Services (DoTaRS) since July 1998.

For background, on 1 July 1998, the Department outsourced all Information Technology functions to Advantra Pty Ltd as part of the Group 5 whole-of-Government IT outsourcing initiative. Subsequently Advantra was renamed Telstra Enterprise Services (TES). In addition to the main outsourcing contract with TES DoTaRS has also engaged SecureNet Ltd to provide secure connectivity from the Departmental network to the Internet and to maintain a 'Protected-level' Internet Gateway.

In preparing this response, DoTaRS requested all relevant details from both Service Providers who maintain the records on these issues.

The incidents detailed in this response are those that are directly related to the Department and are based on all relevant information made available from our service providers. The Department has also requested the following portfolio agencies - National Capital Authority, Civil Aviation and Safety Authority and Air Services Australia - to provide similar information. They are in the process of developing their reports and we will forward this information to the committee immediately it becomes available.

Losses of software and/or hardware

Since July 1998, the Department has received reports of four incidents involving theft of departmental notebook computers. The details of these incidents are as follows:

-
1. August 2000 – A Dell notebook computer was reported stolen by a staff member. The notebook in question was not recovered and the offender was not apprehended.
 2. April 2001 – A staff member reported a notebook computer as stolen from an Adelaide hotel. The notebook in question was not recovered and the offender was not apprehended.
 3. February 2003 – The private residence of a Canberra-based staff member was broken into and a number of household items were stolen. The items included a departmental notebook used by the officer. The notebook in question was not recovered and the offender was not apprehended.
 4. August 2003 – The Department's premises at 111 Alinga Street Civic were broken into and amongst other items, a departmental notebook computer was removed. To date the notebook has not been recovered and the offender has not been apprehended.

Each incident was reported to the appropriate police authority.

For all incidents the relevant staff member confirmed that the equipment did not contain classified or sensitive information. This is consistent with the Department's IT Security Policy.

All software products installed on the stolen equipment are subject to a license agreement that allows for the reinstallation of the software on replacement equipment.

Unauthorised access to computer systems

The Department has not received any reports of unauthorised access to departmental computer systems during the period in question.

As part of the outsourced arrangements for Secure Gateway services, the Service Provider routinely delivers analysis reports detailing generic and specific 'intrusion detection' analysis. These reports include the details of unsuccessful generic 'scan' and 'probe' events common to any computer system connected to the Internet. These events are generally caused by external parties in an attempt to gather information about computer networks to enable a more 'targeted' attack at a later date. These events number in the hundreds of thousands per month and have never been successful.

The departments computer virus systems identify and successfully block numerous attempted virus attacks every month. All incidents have been detected, blocked and reported.

Our primary IT services provider (TES) has also reported several unsuccessful attempts of unauthorised access to the departments network through network security devices under their control. Again, all incidents have been detected, blocked and reported.

Other significant events involving information technology security

A serious breach of IT security, involving the loss of a quantity of backup tapes by Telstra Enterprise Services (TES) Pty Ltd, occurred in March 2003. TES is the outsourced Information Technology and Telecommunications (IT&T) service provider for Group 5 agencies of which this department is a member.

The loss of the backup tapes was due to a major breakdown in TES's tape handling procedures. The backup tapes have not been recovered. I understand that Dr Shergold, Secretary, Department of Prime Minister and Cabinet has provided information on this incident in his response to the Inquiry.

In regard to this Department, the Secretary, Mr Matthews, took up the issue directly with Telstra, seeking assurance from Telstra (Mr Thodey, Group Managing Director) that, as TES moved into the final year of the contract, services would not diminish and that a similar breakdown of procedures would not re-occur. Mr Thodey gave such an assurance.

Yours sincerely

Peter Yuile
Deputy Secretary