SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE
AUSTRALIAN CUSTOMS SERVICE

**Question No. 208**

**Senator Ludwig asked the following question at the hearing on 31 October 2005:**
a) When did Customs become aware of the system failure that allowed Customs Brokers to access the confidential data of other brokers, and how did Customs become aware?
b) Exactly what information was available to other brokers, and how were they able to get access to it?
    (i) What action did Customs take to correct the problem, and when was this action taken?
    (ii) Is the problem now rectified?  Is the system failure fixed, or has a workaround been provided?
c) Was this problem present from the initial start-up of the system, or did it occur post start-up?
d) Was this problem located at a specific port or ports, or did it affect the entire system?
e) Was the confidential data of any other industry in the supply chain compromised?
f) How many companies have been affected by the privacy glitches?
    (i) Is Customs able to say how many files have been accessed by other companies that should not have been accessed?
g) Is Customs able to guarantee that this problem will not occur again?
h) Have any of the affected companies commenced legal action, or indicated that they will commence legal action?
i) What is the normal process for dealing with staff who disclose unauthorised material or who breach confidentiality?
    (i) Has this process been followed in this case?

**The answer to the honourable senator's question is as follows:**

a) Customs became aware of the intermittent failure associated with the display of Import declarations in October 2005 following the cutover. Customs became aware through reports of the problem to the Customs help desk.

b) The problem occurred on the "Import Declarations (N10) Navigation options view" screen, which contains the following data regarding an Import Declaration: Declaration ID, Importer Name and Reference, Brokers name and reference, Destination Port, Document Status, Date Lodged, Licensed Broker Name, Broker Reference, Document Status, Customs Box Number.

The problem also occurred on the "Import Declarations (N10) Transport details Amend screen", which contains the following data. Declaration ID, date, Lodged version, Mode of transport, Vessel ID, Voyage number, Loading port code, First arrival port code, Discharge port code, Arrival date, First arrival date, Gross weight, Gross weight unit, Delivery address, Cargo type, Container number, Ocean bill of lading, House bill of lading, Number of packages, Package unit count. Amendments to the data on this screen were not able to be made when this problem occurred.

The problem occurred in the following manner. A client using the Customs Interactive (CI) would request information regarding an Import declaration that they had lodged in the system. On very rare occasions the result that was displayed on their screen were the details of an Import declaration different to the one they had requested. A client could not intentionally access Import declarations that they were not responsible for.

b) (i)  A number of steps were taken to rectify this problem. The problem was first reported on the 18th of October 2005.  Initially in consultation with the relevant vendor, a parameter change was made to the third party software causing the problem on the 21$^{st}$ of October 2005, which resulted in no further incidents emerging for a period of time. A further incident was reported on the 26$^{th}$ of October 2005. Applications and infrastructure traps were then developed and deployed on 27 October 2005 to ensure that problem could not reoccur. The vendor also provided two software engineers from the US to work through the cause and determine the required resolution.

b) (ii) Yes the problem has been rectified and no further occurrences have been reported. The fix developed by Customs prevents the problem from occurring. The third party software component that caused the problem is currently being replaced with implementation scheduled for early 2006.

c) There was no evidence that the problem was present from the initial start-up of the system, the first occurrence was identified post start-up.

d) The problem was not located at a specific port or ports. The problem did not affect the entire system. The problem occurred on specific screens within the system with an intermittent frequency.

e) No. A proportion of Importers and Brokers were impacted.

f) Customs has had this problem reported by nine importers or Customs Brokers.

   (i) No. As the failure was the result of mainframe computer software erroneously accessing data contained in temporary storage areas, there is no electronic record of the occurrences of this problem within the Customs system.

g) The problem as it was manifested in October 2005 cannot occur again.

h) No

i) In the case that a claim was made, and a process was required, an investigation would be initiated. Action arising from the investigation would be dependant upon the investigation findings. However no Customs staff directly provided confidential information to a third party in this case.

i) (i) The process is not applicable, as Customs staff did not directly provide confidential information to a third party in this case.