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of South Australia

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TRS21D3421

Dr Juanita Fernando
Chair, Health Committee
Australian Privacy Foundation

Juanita.fernando@privacy.org.au

Dear Ms Fernando

Thank you for your open letter on behalf of the Australian Privacy Foundation dated 16 December 2021 to the Premier, the Hon Steven Marshall MP, regarding the Frontier Software data breach and SA Ambulance data breach. As the matter you have raised falls within my portfolio responsibility, the Premier has requested that I respond on his behalf.

The response provided in this letter is limited to the Frontier Software (Frontier) data breach, which falls under my area of responsibility.

The state government is deeply disappointed that this breach has occurred and, as indicated in your letter, has implemented a range of actions to mitigate associated risks for the nearly 80,000 public sector employees whose personal information has been exposed. These mitigation actions include:

- Working with the Australian Taxation Office to add additional security measures to all affected tax file numbers.
- Notifying banks and financial institutions to add additional safeguards for employees' payroll bank accounts.
- Alerting Super SA, the public sector employee superannuation scheme, which has put additional security checks in place for all employee accounts.
- Notifying Maxxia, the South Australian Government's salary sacrifice provider, which has increased its security measures for employees.
- Working with Services Australia to implement additional security measures for employees.
- Payroll Services implementing additional controls for validating changes made and/or requested to employees' personal details, including bank account, address, email, phone numbers and deductions.

It is recognised that some of these strategies depend upon an individual's understanding that their personal information has been compromised and how this could impact them. This is one of the reasons the state government has engaged IDCARE to provide support and advice to employees tailored to their individual circumstances.

Based on the analysis undertaken to date, I am advised that the data breach relates to static copies of files stored by Frontier outside of the SA Government's private payroll system environment. At this time, there is no evidence to suggest that the threat actor obtained access to this private environment.

As such, I understand that the exposed data is limited to the elements previously communicated to affected public sector employees and does not include any healthcare or other sensitive personal details.

The contract with Frontier contains clauses that require protection of the State's data and the establishment of cyber-security policies and processes consistent with industry standards and the SA Information Privacy Principles. Frontier's cyber-security arrangements and processes are independently audited on a regular basis.

The extent to which Frontier has complied with its contractual obligations to protect the State's data (including the personal information of affected public sector employees) is currently the subject of a detailed investigation. The full range of remedies available to the state government for breach of contract will be considered once all of the facts have been established.

I trust that the above information satisfactorily addresses your concerns about the Frontier data breach.

Yours sincerely

Rob Lucas

Hon Rob Lucas MLC
Treasurer

8 January 2022