

ATO fights 3m hack attacks a month

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The Tax Office is battling as many as 3 million attempted cyber hacks every month, and has warned accountants and superannuation funds they are ripe targets due to extensive consumer data holdings.

Following the landmark Optus data breach, Australian Taxation Office second commissioner Jeremy Hirschhorn said that “any sense of hubris” about cyber protections in Australia’s business and government sector was gone.

In an address to the Tax Institute in Sydney, Mr Hirschhorn put company directors on notice that their identities could be stolen, as bad actors online pieced together data in sophisticated operations for financial gain.

“During this talk, if the average rates hold, there will have been about 4000 attempted hacks of our system,” he said. “We have about 2.5 to 3 million hacks of our system every month. But the thing which is actually more concerning – it’s hard to rank the concerns – is people taking over identities



Jeremy Hirschhorn

in the broader system.” Government agencies and corporates have been rattled by the theft of 9.8 million Australians’ personal data from Optus. Commonwealth Bank has been receiving 5000 additional calls a day from concerned customers after the breach was revealed and Medibank is dealing with a significant cybersecurity incident this week.

Mr Hirschhorn said tax agents, accountants and superannuation funds were a ripe source of data for online criminals.

“Increasingly we see cascading penetration attempts, where criminals seek to obtain information from different places before putting it together for a fraud attempt.

“I think for many of us, the Optus data breach has really brought home how vulnerable many businesses and organisations are to attack, and dispelled any sense of hubris.”

The ATO has vast stocks of data: it

receives more than 14 million individual income tax returns every year and deals with 4.3 million small businesses, 201,000 privately owned Australian groups and about 40,000 multinationals.

As it pursues digitisation and service improvements, Mr Hirschhorn said identity theft and other online threats remained front of mind.

“We hold it, but it’s actually people’s data,” he said. “This is early thinking for us, but we are thinking about ways of how we can give an individual a package of data which they can then share with their representatives. It might solve some of our cybersecurity challenges. It is a big hairy one to solve.”

His comments came as new research from business management platform MYOB showed 38 per cent of operators say the cost of cybersecurity protection is prohibitive.

Nearly 95 per cent of respondents said better support for small business in next week’s federal budget would aid Australia’s post-COVID economic prosperity, including tax reform measures and improved digital capability.