



Speech By  
**Christopher Whiting**


**MEMBER FOR BANCROFT**

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**STATE DEVELOPMENT AND REGIONAL INDUSTRIES COMMITTEE**

**Report, Motion to Take Note**

 **Mr WHITING** (Bancroft—ALP) (3.07 pm): I move—

That the House take note of the State Development and Regional Industries Committee Report No. 38, 57th Parliament, *Examination of Auditor-General reports on the water sector*, tabled on 24 February 2023.

It gives me pleasure to rise to speak to this report, which was tabled in February, titled *Examination of Auditor-General reports on the water sector*. This report gives a very clear indication that things are improving but that entities can do more. I congratulate all of the water entities on making progress from these Auditor-General reports that we have done over the years. I will just explain what this report is about. In the foreword we said that ‘water entities rely on information technology systems’, and that is the absolutely crucial part and that is what this committee focused on. Over the years water entities have received recommendations from the QAO regarding the security of their information systems dating back to 2020-21 and even back to 2017.

Over the years we have said that water entities must take steps to strengthen the security of their information systems. That is one of the reasons we have recommended in past reports that they establish their own risk management and audit committees. That is the gist of what we are doing, but I will just go into some of the details of what we found was necessary and what the Queensland Audit Office pointed out. For example, the Audit Office pointed out that the internal controls were generally effective but once again could be improved. For example, one entity’s control environment was assessed as ineffective due to three significant deficiencies which related to access of information systems. That is a really important finding and, as I said, the reports since then have shown that they have picked that up. However, the Auditor-General also pointed out that not all entities have fully addressed the recommendations in the *Water 2020* report to strengthen security of their information systems. That is what we want to emphasise as a committee—that is, that they have done well but that they really need to keep upping their game when it comes to information security.

That could relate to deficiencies in financial systems, invoicing and payroll. Those areas may be simple but they are absolutely crucial. The point is that cyber risk vulnerabilities and exposures must be continually assessed and entities must continually improve how they face those cyber risks. That is the case for all government entities.

We found that the entities had made those improvements. I will quickly go through what they have implemented in response to the findings by the QAO: incorporating external standards and recommendations into corporate plans and systems; regular audits of access—I know that they are doing that; regular cybersecurity training and refreshers for staff; application of the principle of least privilege to those security systems and use of strong password practices; encryption for sensitive data; network and firewall upgrades; self-assessing their systems against the audit and assessing risks to their system; and making sure they work with the Australian Cyber Security Centre to implement their essential eight mitigation strategies. That is it in a nutshell.

Even though what we looked at in this report was quite narrow in focus, increasing cybersecurity is absolutely essential. Over the years we have seen that become more and more important for all government entities. When we are talking about the security of our water distribution and sewerage systems it is absolutely crucial. That is why a common theme in our reports is to say to these entities that they need to have a rigorous independent audit and risk management committee that meets on a regular basis and provides robust reports and assessments to those water entities. I commend the public servants within those water entities who have been taking notice of what we and the Audit Office have been saying and implementing those improvements over the years. We look forward to seeing more of those improvements and practices coming through in future years.