



**THE HON BRENDAN O'CONNOR
MINISTER FOR HOME AFFAIRS
THE HON DR CRAIG EMERSON
MINISTER FOR COMPETITION POLICY
AND CONSUMER AFFAIRS**

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Government acting to combat scams

Consumer fraud is costing the Australian community close to \$1 billion according to the latest research by the Australian Institute of Criminology (AIC).

The Minister for Home Affairs, Mr Brendan O'Connor, has welcomed AIC's report, *Consumer fraud in Australia: costs, rates and awareness of the risks in 2008*.

"It is important to encourage greater reporting of consumer fraud, to raise community awareness of emerging and widespread threats," he said.

"It is important that Australians know about consumer fraud. The more they know, the less likely they are to fall victim."

The AIC's research found that 90 per cent of respondents reported having contact with a variety of scams, such as fictitious lotteries, phishing scams and other attempts to elicit personal information.

"We want as many people as possible to know about the various scams and cons. The AIC's research shows that 18 per cent responded to the scammer, and went on to correspond for further information, putting themselves at risk of financial loss or identity theft," Mr O'Connor said.

Consumer Affairs Minister Dr Craig Emerson said the Government is introducing tough new penalties to crack down on scammers.

"They will face fines of up to \$1.1 million under legislation now before the Parliament," Dr Emerson said.

"Under the new Australian Consumer Law the ACCC will have increased powers to prosecute people who have acted unconscionably or have misled consumers.

"Scammers would also face bans from managing companies.

"Australia is working with other countries, through the International Consumer Protection and Enforcement Network to ensure an effective international approach.

“The ACCC has been asked by other countries to play a leading role in these international efforts.

“If consumers are approached by scammers—whether on the doorstep, through the mail, online or anywhere else—they should report the matter to the ACCC by calling 1300 302 502.

“They can also contact the local consumer affairs agency in their State or Territory.”

The AIC’s report, *Consumer fraud in Australia: costs, rates and awareness of the risks in 2008*, was prepared in conjunction with the Australasian Consumer Fraud Taskforce’s annual awareness-raising activities, and is available at www.aic.gov.au.

Scams may also be reported online, at the ACCC’s SCAMwatch website – www.scamwatch.gov.au. This website provides consumers with information on how to recognise and help protect themselves from scams, and regularly alerts.

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