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## **Media Release**

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### **Government’s Scams Prevention Framework only goes halfway – we need a presumption of reimbursement say consumer advocates**

A broad coalition of consumer advocates is calling for the Albanese Government to make one fundamental change to the proposed Scams Prevention Framework (SPF) and put reimbursement at its core, warning that without this improvement the SPF is not going to work for the tens of thousands of Australia’s robbed by scammers.

The group’s call is a core part of [their submission](#) -with seven key recommendations- in response to the Government’s Consultation on the exposure draft of the Scams Prevention Framework.

Consumer Action Law Centre CEO Stephanie Tonkin said her team had spent the past weeks analysing the SPF going over the ‘fine details’ of the proposal.

“When you reach the part that concerns victims, you see the SPF burdens consumers with navigating a seemingly impossible dispute resolution system that will convince most people to give up right at the start,” Ms Tonkin said.

“We plotted the likely ‘journey’ a typical bank customer would have to take to get redress from the banks, telco, and digital platforms involved and it’s an almost 30-step process, that could take between 18 months and 2 years.

“What’s worse than this delay, is that there is no guarantee of victims getting any money back at the end,” she said.

Instead, Ms Tonkin says a straightforward and uniquely Australian model of reimbursement – that would sit within the SPF, and apportion losses across industry after the consumer is reimbursed – should be the answer.

“With the model we propose, there could be just four steps for a victim to access justice in weeks, not months or years.

“Being on the hook for reimbursement is the best incentive for business to lift its prevention game and keep up with ever-innovating scammers, rather than the SPF minimum compliance approach.

“I believe the Albanese Government, and Assistant Treasurer Stephen Jones, has an opportunity with this legislation to springboard Australia into a world-leading jurisdiction in scams protection with a simple consumer-centric model that benefits everyone. Why wouldn’t we take it?

**Quotes attributable to:****Carol Bennett, CEO Australian Communications Consumer Action Network (ACCAN)**

*“Despite the best intentions, the SPF won’t work in the form set out in the draft bill. It demands too much of scams victims, and too little of large companies – banks, telcos and social media giants. The complexity of the new scams assault requires decisive action from these companies, and the best way to make this happen is to include a presumption of reimbursement and remove the onus on consumers for dispute resolution.”*

*“Consumers who have had their life savings stolen are in no position to pursue a claim against a major financial institution due to their failure to protect their savings.”*

**Drew Macrae, Senior Policy & Advocacy Officer, Financial Rights Legal Centre,**

*“The Government’s proposed scams framework places the entire burden on an already vulnerable consumer – at one of the lowest points in their life – to take on their bank, telco and/or social media platform to prove that the institution did not meet their requirements. Not only is this a heavy burden for a consumer to carry the likelihood that they will be able to get the evidence they need from their bank or telco is very low. The whole framework is over complex and illogical.”*

**Roberta Grealish CEO (Acting) Consumer Credit Legal Service (WA) Inc-**

*“For too long consumers have been shamed into accepting the blame for scam losses. I can’t imagine any other victim of crime being blamed in this way! I can’t imagine any other sector being able to shrug off losing billions of dollars annually of customer money without a massive customer mutiny or immediate government crackdown!*

*“Unfortunately, the proposed SPF still misses the mark and will see customers continue to bleed billions in losses in the years it will take to implement. It then expects already downtrodden customers to continue to bear the brunt of losses while simultaneously navigating a dispute resolution process that may again take years to work through, with no guarantee of redress.*

*“Our banks are the first and last line of defence in the fight against scam losses. They are best placed to detect and prevent scam activity. They are best placed to reimburse faultless victims who reasonably expect that their money is safe. They are best placed to investigate, apportion, and recoup the funds. The government must not miss this opportunity to imbed a reasonable reimbursement model, stop victim blaming and stop scammers.”*

**Dr Dominique Meyrick co-CEO Financial Counselling Australia**

*“Scams are widespread and taking a huge toll on the community. We welcome these efforts to detect and prevent scams, but when people do fall victim to scams, they should have fast and easy access to reimbursement.”*

**Tom Abourizk, Head of Policy, CHOICE**

*“Banks, telcos and digital platforms have had years to fix the gaps in their systems that scammers exploit. Australia urgently needs laws that protect consumers and make scam losses a problem for the bottom line of these big businesses.”*

**Quotes attributable to Rebekah Sarkoezy, Policy Manager at Super Consumers Australia –**

*“The Scams Prevention Framework will work if important changes are made. But consumers need their collective \$3.9 trillion in superannuation savings to be protected from scammers now. The Framework’s proposed implementation timeline will give scammers plenty of time to set their sights on the superannuation sector. That’s why we’re calling for super to be designated as a sector under the SPF as soon as possible, and for a super anti-scam code to be introduced within 12 months of the SPF becoming law.”*

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***The Australian Communications Consumer Action Network (ACCAN) is Australia’s peak communication consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers.***

***ACCAN is committed to reconciliation that acknowledges Australia’s past and values the unique culture and heritage of Aboriginal and Torres Strait Islander peoples. [Read our RAP](#)***

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