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Media Release 27 September 2024 **Onus to stop scams must be on large corporations – not consumers**

The government’s draft Scams Prevention Framework, set to be put to Parliament later this year, will make a difference in the fight against scams. However, by not securing mandatory reimbursement for scam victims, it falls short of what is needed.

ACCAN – the peak body for Australian communications consumers – [welcomed](https://consumeraction.org.au/consumer-safeguards-must-be-front-and-centre-of-new-scams-framework-say-consumer-advocates/) the draft scams prevention legislation earlier this month alongside other consumer advocates despite some caveats, including the absence of a mandatory reimbursement requirement on large corporations.

This legislation, set to be put to the Parliament later this year, will make a difference. But scams victims need the presumption of reimbursement, which they do not receive through the proposed draft legislation.

ACCAN CEO Carol Bennett said that the onus to stop scams should be on large corporations, rather than scams victims.

“In the UK, new regulations will soon come into force which will see all scams victims receive compensation from banks,” Ms Bennett said.

“In Australia, our draft legislation places the onus to act on consumers, who have in many instances lost their life savings, rather than the incentive on industry to do everything possible to stop scammers in their tracks.”

“Given the level of complexity and deception now used by scammers, taking common-sense precautions and ‘being on your guard’ is not always enough to stay scam-safe.”

“A UK-style mandatory reimbursement scheme would ease the stress and anguish of scams victims while placing the responsibility for scam prevention on banks, who are best positioned to fight scams at scale.”

“We recognise that many industry participants have taken strong steps to reduce scam losses, but the fact remains that consumers are still losing billions of dollars each year to criminal groups.”

“We look forward to working with the government, regulators, and industry to see consumer interests fully reflected in the final legislation and passed by parliament to bring some relief to Australian scam victims.”

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](https://accan.org.au/about-us/reporting/reconcilitiation-action-plan)