

THE HON PAUL FLETCHER MP

Minister for Communications, Cyber Safety and the Arts

MEDIA RELEASE

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Fighting back against phone scams

The Morrison Government is working to keep Australians safe from telephone scammers, starting with the introduction of strict new identification measures to combat the hijacking of mobile numbers by fraudsters to illegally access personal and financial information. Fraudulent number porting affects thousands of consumers each year with average losses of more than \$10,000.

Minister for Communications, Cyber Safety and the Arts, the Hon Paul Fletcher, today announced new telco regulations which mandate stronger industry-wide identity verification measures before mobile numbers can be transferred from one provider to another.

Two-factor authentication – such as inputting a code on a website or responding to a text message – is a proven and highly effective security measure and will be required before a number can be ported.

Many Australian telcos – including Telstra, Optus and Vodafone – have already introduced stronger pre-port verification measures. However telcos representing more than one million mobile services are yet to implement these consumer safeguards, putting all Australian mobile users at risk of fraudulent number porting.

"The Government expects all telcos to pull their weight. I want Australians to be confident that every telco has put in place strong verification processes to stop fraudulent mobile number porting and the devastating consequences it can have for victims," Minister Fletcher said.

"That is why I have issued a formal direction to the Australian Communications and Media Authority to make new rules mandating stronger identity verification processes before mobile numbers can be transferred. The entire industry needs to put in place a solution otherwise those telcos without safeguards in place will be a magnet for fraudsters."

The Government has set up the Scam Technology Project, led by the ACMA working with experts from Australia's major telecommunications companies, and charged it to develop technology-based solutions to combat telecommunications-based scams.

"If criminals are using technology to scam Australians, we need to make sure we are using technology to fight back. The measure I am announcing today is the first outcome from the Scam Technology Project – but I expect there will be more in coming months," Minister Fletcher said.

"Criminals will continue to look for new ways to rip off Australians using the telephone system. That is why tackling telecommunications scams is a priority for the Morrison Government."

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Media contact:

Brad Hatch | 0448 162 679 | <u>Brad.Hatch@communications.gov.au</u> Rebecca Papillo | 0439 892 771 | Rebecca.Papillo@communications.gov.au

Additional Information:

Scams over telecommunications networks are an increasing problem, causing financial and emotional harm to victims. The Australian Competition and Consumer Commission recently estimated that losses reported to Scamwatch are likely to reach \$532 million in 2019.

The direct financial costs of fraudulent mobile number porting are difficult to estimate because telephone fraud is relatively common but underreported. IDCARE reports that approximately one in three victims on average experience a financial loss because of fraudulent porting, and that on average this loss is of \$11,368.

Affected individuals also spend considerable time dealing with recovering from identity theft, retrieving bank accounts, and replacing devices.