



Media Release

“Defending phone and internet accounts from fraudsters” report released

24 November 2021

The Telecommunications Industry Ombudsman (TIO) today released a report on systemic investigations into fraud enabled through phone and internet accounts.

The report “Defending phone and internet accounts from fraudsters” shares the TIO’s findings on fraudsters being able to access telco accounts and conduct malicious activity. It explores consumers’ experiences and highlights improvements made by telco providers to combat fraudulent account access.

In the last financial year, the TIO received over 500 complaints from consumers who said they had fallen victim to telco related fraud. Consumers said their telco account was accessed without their authorisation which not only resulted in significant inconvenience but in some cases also resulted in financial loss and safety concerns.

Based on investigations and complaints, the TIO identified four common themes which contribute to fraudsters accessing telco accounts:

1. Weak security processes can help fraudsters gain access to telco accounts,
2. Fraudsters can exploit delayed responses by providers to breaches of account security,
3. Consumers can fall victim to a fraud if they don’t know what to look out for, and
4. Fraudsters’ tactics and methods are constantly evolving.

The report features tips for telcos and consumers to help protect against fraudsters.

Tips for telcos include:

- Ensure account security processes are strong for high-risk transactions
- Ensure consumers can quickly and easily report a potential security breach
- Regularly review and update account security measures

Tips for consumers include:

- Make your phone or internet account as secure as possible
- Limit the amount of personal information available in the public domain
- Report any strange activity to your provider immediately

The report can be found at [insert web address]



Quotes attributable to Ombudsman Judi Jones

“Each year Australians lose millions of dollars from fraud, often facilitated through phone or internet services. Addressing fraud is becoming more critical as people increasingly use their phone and internet to access goods and services, manage their finances and verify their identity. This report shows that the detriment suffered by consumers who are targeted by fraudsters through their phone or internet account can be devastating.

“Telcos who have robust verification procedures and quick response times are more likely to prevent fraud from occurring and to limit detriment if a consumer does fall victim to fraud. And while these initiatives help to address some of the issues we found, both telcos and consumers must remain vigilant about the constantly evolving behaviour of fraudsters.

“The TIO’s systemic investigation powers means we can identify issues with the telco industry’s regular systems, processes or practices and issues that may cause harm to consumers. By investigating issues, raising awareness, and working with the telcos to make changes, we drive improvements in the delivery of phone and internet services. This leads to better outcomes for consumers and the telecommunications industry.”

Ends

Notes to Editors

For all media enquiries please contact the Media Team on 0437 548 540 or mediaenquiries@tio.com.au

About the Telecommunications Industry Ombudsman

The Telecommunications Industry Ombudsman provides a free and independent dispute resolution service for residential consumers and small businesses who have an unresolved complaint about their phone or internet service. Consumers and small businesses should contact tio.com.au or 1800 062 058.