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**From:** Harriet Spring [REDACTED]  
**Sent:** Friday, 4 October 2024 5:17 PM  
**To:** Scams Policy  
**Subject:** Immediate suggestions to improve SPF

[REDACTED] [REDACTED]

[REDACTED]

To whom it may concern,

I have the following comments to the Scam Prevention Framework that the Labor Government is proposing as the solution to scams:

**Observations:**

1. It is a good start, that's about it.
2. It is not victim centric - **If the banks love it, which they do, you know there is something very wrong**
3. **Australia is already the honeypot for scams, and the laughingstock of the world due to government inaction.** The levels of scams are unacceptably high and reflects lack of protection for consumers
4. I welcome reform but the SPF is only a minor uplift in context of absence of anything! Basically, it is better than nothing. It is a step in the right direction but it is a very, very poor effort and yet another timid move by this ineffective government
5. Sets up a range of obligations that are great but entirely falls down at dispute resolution.
6. The SPF only focuses on high level breaches of meta or breaches. All other scams go under radar
7. Consumers will have little access to redress and are presumed guilty and the onus is on Victims with no money or expertise to prove their innocence, and the banks not compelled to provide any information
8. Without the presumption of reimbursement on the banks, telcos and digital platforms, there remains little incentive to improve security still
9. SPF has decided to take a case by case basis - no guarantee of redress and at least 2 yr process for already traumatised victims
10. The information asymmetry is simply unacceptable in current framework proposal - up to the victim to prove their innocence which is an impossible task as businesses hold all the information
11. SPF consultation hasn't recognised the complexities around the response principles. Too many barriers to people raising complaints. So many steps making it harder and more complex for victims, no clarity around reimbursement obligations and the only player who loses in this is the victim.
12. Out of 3000 complaints of scams to Ombudsman, the SPF's definition of scam would only allow for 300 cases to be processed through AFCA as an EDR option. The definition is waaaaay too narrow to ensure delivery of a customer centric framework.
13. The SPF is well intentioned legislation that won't work or even meet its intention. There is no incentive for industry to stop scams. The SPF will likely reduce reporting of scams and have an increased impact on consumers
14. Info asymmetry is big problem - How are victims to tackle this if they rely on information that industry still isn't compelled to provide? May make things worse for consumers
15. Onus of proof on consumer to bring and establish the legal case that business failed to meet their obligations. Yet the Proof is held by the banks who are not providing, as this would be contrary to the banks interest. And yet Victims will continue to be told by AFCA be told they have no claim when they very much might
16. Govt needs to be very public about what they know. If the bank knew laundering going on, is there other info they could share? With that info, Victims don't even need AFCA
17. AFCA has 820 genuine scam cases that have led to a published result. Only 6 went in favour of customer and only those that had access to information to prove the case

18. Why not compel industry to provide info like FOI to proven Victims who need to be able to prove their cases were not from their own gross negligence. Even when Legal teams ask banks for information, banks pretend they dont have it. They straight out lie!
19. CCTV footage isn't being asked for - police, banks, AFCA do everything to hide evidence of what happened at the bank. Banks actually make false claims and explicitly lie. Do everything to hide the evidence
20. Wont be introduced until 26 or 27!!! This is utterly frightening
21. The world sees Australia for what it is and is judging us for our regulatory failure, and lobbyists have waaaaayyy too much influence over this government - this is clearly demonstrated through the lack of action on payee confirmation back in 2019!
22. EPayments code was not intended for scams and yet is used as a weapon against victims
23. The regulatory framework = the problem, lobbyists are the regulators. Govt is not addressing regulation and regulatory frameworks are being set by lobbyists. The SPF: Clearly has been drafted for the banks, if not by the banks, and doesn't go to heart of the problems for Victims
24. Why are banks allowed to open fraudulent accounts and transact on them? Banks regularly exceed the exceeding of OS transfers which COMPLETELY illegal - ignore the legislation, AUSTRAC cant control. Banks operate mule accounts - nobody talks about the banks flagrantly flouting the law! They are the wild west.
25. As customers we fund AFCA to rule against us! Forcing Victims to court with all the money they no longer have.
26. **Politicians must have the basic decency to put the people before the banks, to listen to regulators rather than Lobbyists – there is no ombudsman, and AFCA is worse than toothless.**

**My suggestions: Without waiting until 2026 to pass the proposed SPF immediately require the following:**

1. Regulators MUST be stronger than the lobbyists, give them real power. AUSTRAC match SMRs and TTRs to AFCA cases, to correct the information asymmetry between victims and banks. Right now - govt could make available what info they have already about scams
1. That banks to reveal ALL CCTV footage and KYC (100 pts of identity) in relation to AFCA disputes. If the banks have nothing to hide where is the risk in this?
2. Establish a reimbursement model: Take the UK model and improve on it. A process of reimbursement much simpler - say 10 day process to establish if gross negligence and then bank pays. If banks are on hook to resolve reimbursement, will see whole system speed up - a reimbursement model would flip the presumption of reimbursement onto the banks
3. As many businesses as can be made accountable the better - but dont do it on the victim's time. Pay up then sort out in the background. Then the Banks will find efficiencies in the recapture of liability by others. Banks focus would then be the same as in insurance sector eg for a multi-car pile up, customer claims only to their insurer, and then the insurer sorts the cross liability in background
4. Banks are not following codes of banking practice and AFCA is ok with that. AFCA needs the authority to force banks to admit what they knew
5. Flipping the onus so the Banks have to prove their innocence will free up alot of market participation and be an efficient way to remove the current strategic behaviour of Banks to defer, delay, limis rights of Victim – when they are on the hook, banks will suddenly be keen to share info. This is simply solid economics

Regards  
Harriet Spring

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