

10th May 2019

Australian Communications and Media Authority

Submitted via online portal

Dear Mr. Fenton,

Re: Combatting Scams - Technological Solutions Discussion Paper

Consumer Policy Research Centre (CPRC) would like to thank you for the opportunity to respond to the ACMA Discussion Paper, Combatting Scams – Technological Solutions (Discussion Paper).

CPRC is an independent consumer research organisation which undertakes research to inform policy reform and business practice change. Our goal is to achieve a fair outcome for all consumers. We conduct research across a range of consumer markets, with a focus on consumer decision-making, housing, consumer data and the online marketplace. We work collaboratively with academia, industry, government and the community sector.

We note the Discussion Paper's focus on scams involving unsolicited communications with examples including CLI-over stamping, phishing, scam telephone calls and SMS messages. CPRC considers that the widespread collection and sharing of consumer data (particularly contact information), both through legitimate and illegal means, supports the proliferation of scams involving unsolicited communications. Any discussion of technological solutions to combat scams should also consider their source – the extensive online data leakage of consumers' personal data.

There are numerous examples of stolen passwords and contact details being used to scam or blackmail consumers, such as:

- Database breaches of major platforms supported widespread cases of hackers emailing users claiming they knew their password and had compromising information on their online activities. The hackers demanded money to destroy the evidence.¹
- The collection of mobile phone numbers by a range of product and service providers online and offline has become an attractive target for hackers. Once a mobile phone number is found, hackers use a technique called SMiShing to steal additional credentials, such as bank account details.²

¹ J.D. Biersdorfer (23 July 2018), Old scam with new twist, The New York Times, <https://www.nytimes.com/2018/07/23/technology/personaltech/phishing-password-email.html>

² S Petrie (23 June 2017), You're sharing your cell number too frequently, USA Today, <https://eu.usatoday.com/story/tech/columnist/stevenpetrow/2017/06/20/cell-phone-number-scams-identity-theft/102787432/>

These unsolicited communications scams are only possible because of the extensive data leakage of consumer contact details in their daily life. CPRC research has outlined this data leakage in 2018 research, [Consumer Data and the Digital Economy](#), and looks at the data collection process in more detail in the forthcoming report, A Day in the Life of Data.

CPRC strongly advises the ACMA to incorporate consideration of the source of unsolicited communications scams – ongoing consumer data leakage and sharing across online and offline services – when considering technological solutions for combatting the problem. The continuous ongoing flow of contact data leaked online will frustrate the success of any technological solution to scams.

The lack of an effective data protection regime in Australia to provide consumers with greater transparency and control over what is happening with their personal information only further contributes to ongoing exploitation by scammers. CPRC has repeatedly advised policymakers to implement a principles-based, economy-wide protection framework which strengthens the Privacy Act provisions relating to informed consent, but also enables consumers to request that companies delete their personal information and data should they no longer want the organisation to hold or use that data.

We believe active consideration being given to this matter by the ACMA and ACCC would support efforts to protect consumers in an increasingly online and digital marketplace.

If you have any questions or would like further information regarding this submission, please don't hesitate to contact Senior Research & Policy Officer, Brigid Richmond on 03 9639 7600 or brigid.richmond@cprc.org.au.

Yours sincerely,



Lauren Solomon
Chief Executive Officer
Consumer Policy Research Centre