

MEDIA RELEASE



Sydney: 9 December 2014

Payments fraud trends a reminder to take care when Christmas shopping online

Today's interim release of payments fraud data by the Australian Payments Clearing Association, the payments industry self-regulatory body, reflects the trends reported in "[Australian Payments Fraud – Details and Data for 2013](#)" in June 2014.

Today's data, which are for the 12 months to June 2014, are available at www.apca.com.au. Complete payments fraud data for 2014 will be available in mid-2015.

The data show that compared to figures for the same period last year, the total rate of fraud on Australian cards and cheques increased from 16.1 cents to 18.7 cents per \$1,000 spent.

This increase is largely due to a rise in card-not present-fraud mainly occurring online. Card-not-present fraud on Australian cards increased from \$199.2 million to \$256.1 million. The majority of this fraud (66%) occurred overseas.

The trend of increasing card-not-present fraud reflects the strong growth in online spending by Australians. In the four years to December 2013 online purchases increased by an estimated 140%. This compares to a 67% increase in card-not-present fraud over the same period.

APCA CEO Chris Hamilton said, "We all know that the economy is going digital, and this year even more people will be doing their Christmas shopping online. Along with the convenience of online global shopping comes a greater need to be aware of scams and to know who you are dealing with. The rise in online cross-border card fraud is a timely reminder to take special care this holiday season."

Consumers can take simple steps to help stay safe when shopping online including:

- Only providing their card details on secure websites – looking for the locked padlock.
- Always keeping their PC security software up-to-date and doing a full scan often.
- Registering for and using their financial institution's online fraud prevention solutions whenever prompted.
- Checking account statements and reporting any suspicious transactions to their financial institution immediately.

Australian consumers are not liable if fraudulent transactions are made on their accounts and will be reimbursed their funds as long as they have taken due care.

Retailers can take simple measures to help protect their businesses from online fraud including by taking advantage of the tools available such as online authentication methods American Express SafeKey, MasterCard SecureCode and Verified by Visa. Further information is available in APCA's "[Get Smart About Card Fraud Online](#)" training.

Today's interim release also shows that:

- Counterfeit / skimming fraud increased from \$37.9 million to \$42.0 million, well down from its peak of \$66.0 million in 2011. This rise is largely due to ATM skimming attacks over the period. Continued vigilance by financial institutions and by the police, alongside the industry move towards chip-reading at ATMs, is crucial to limiting this fraud. Consumers should help protect against this type of fraud by covering their hand when entering their PIN at ATMs and point-of-sale devices.
- Lost and stolen fraud on Australian cards increased from \$30.5 million to \$33.1 million. This comprises a slight drop (-1.5%) to \$20.5 million in the fraud occurring in Australia, but an increase (30.2%) to \$12.5 million in fraud occurring overseas. Consumers are reminded to always keep their cards and PINs safe.

APCA's next comprehensive payments fraud report "Australian Payments Fraud – Details and Data for 2014" will be released in June 2015.

ENDS

MEDIA RELEASE



For further information visit:

APCA website: [Get Smart About Card Fraud Online](#); [Protect Your Pin](#); [Safeguard Against Skimming](#)

ACCC website: [SCAMwatch](#)

Media contact:

Ida Turner, APCA Communications P: (02) 9216 4817 M: 0409 716 556