

Media Release



Government of South Australia

Office of Consumer and
Business Affairs

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6 March 2006

The not-so-free holiday prize

Does the offer of a free holiday to Florida or the Bahamas sound tempting? If you respond to the over-the-phone offer by pressing "9" you are told that the trip is free, but you have to pay for travel insurance. All you need to do is provide your credit card details. The alarm bells should be ringing by now.

Consumers have phoned the Office of Consumer and Business Affairs (OCBA) in the last few days to report the calls and to enquire whether this offer is a scam.

Commissioner for Consumer Affairs, Mark Bodycoat said "This has the hallmarks of many other scams where you are told you have won a prize, but need to pay a small fee before you can collect it".

The fees are often explained as insurance or administration costs, but this is really a ploy to get vital personal, bank account and credit card details. What they are really after is your hard earned cash.

"Why should you have to pay to receive a prize? Don't fall for that trap."

OCBA reports that while the majority of scam contacts are made by mail or email, quite a few scams involve a phone call out of the blue offering some kind of opportunity. It's called cold calling. Some common examples are:

- Supposed outstanding investment opportunities - but the investments don't exist.
- Inviting businesses to advertise in a magazine - but it is never produced.
- Offering a great deal or a freebie, often accompanied by a tale about the seller being in dire straits. The offer seems like a great bargain, but the goods turn out to be rubbish.
- Offering a "free" holiday, but to claim the free holiday you have to attend a seminar where you are pressured to invest in time-share or other property schemes.

OCBA and 17 other consumer protection and related bodies across Australia and New Zealand make up the Australasian Consumer Taskforce, which is focusing on "cold calling" scams this week as part of a four week campaign to warn people about the dangers of responding to scams. The simple Taskforce message is 'Destroy it, delete it, or hang up'.

Mr Bodycoat said "The best defence is not to respond. An out of the blue phone call may catch you off guard. Just pause for a moment and think about the offer. If it sounds too good to be true it probably is."

To report a suspected scam contact OCBA on 8204 9777 (or 131 882 for regional callers). A list of scams is available at www.ocba.sa.gov.au or www.scamwatch.gov.au

Background

As part of a whole of Government approach to combat consumer fraud and scams targeted at consumers, the Australasian Consumer Fraud Taskforce was established in March 2005 and comprises 18 government regulatory agencies and departments in Australia and New Zealand.

Agencies participating in the Taskforce are:

Australian Government:

Attorney General's Department
Australian Bureau of Statistics
Australian Communications and Media Authority
Australian Competition & Consumer Commission
Australian Federal Police (represented by the Australian High Tech Crime Centre)
Australian Institute of Criminology
Australian Securities & Investment Commission
Department of Communications, Information Technology & the Arts

New Zealand Government:

NZ Commerce Commission
Ministry of Consumer Affairs

State and Territory Governments:

Australian Capital Territory – Office of Fair Trading
Consumer Affairs Victoria
New South Wales – Office of Fair Trading
Northern Territory – Department of Justice
Queensland – Department of Tourism, Fair Trading and Wine Industry Development
South Australia – Office of Consumer & Business Affairs
Tasmania – Office of Consumer Affairs & Fair Trading
Western Australia – Department of Consumer & Employment Protection.