

Facts



Information

www.consumer.tas.gov.au

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Scams and Consumers

Scams are schemes and ventures that promise unrealistic opportunities to create wealth from investments, or to buy services at prices that are far below those you would expect to pay. The people who operate and market scams are rarely poorly prepared or shabbily presented. In fact, in most cases Scams are presented in a very professional and attractive manner.

Scams can be sold and circulated in a number of ways. Direct contact via door-to-door sales people is common, and so are telephone contacts, unsolicited mail or advertisements in newspapers and magazines. Increasingly, Get Rich Quick Scams are being circulated via the Internet.

Protecting Yourself Against Scams

You can avoid being caught in a Scam by observing some or all of the following advice;

- Ask the name of the person you are speaking to, who they represent, and keep notes of conversations.
- Ask for explanations of things you don't understand. Seek professional help in understanding the offer and terms and conditions of the venture.
- Check the bona fides of a company with the Australian Securities and Investments Commission.
- Make any decisions carefully and take the time you need – don't be rushed by high pressure salespeople and short deadlines.
- Don't judge the venture by the professional appearance of their promotional material, the basis of many scams is the seemingly high quality of their personnel and material.
- Don't provide any financial or personal information before you establish whether the company is legitimate.
- Ask questions – even if the venture is legitimate the more questions you ask the better.
- If you encounter a problem, don't let embarrassment or fear keep you from reporting fraud or abuse to the appropriate authorities.
- Be cautious of 1900 and 0055 telephone number scams. These calls are often very expensive.
- Be wary of free travel and accommodation deals. They are often loaded with terms and conditions that erode any advertised savings.

Remember – if it sounds too good to be true it probably is!



Consumer Affairs and Fair Trading
Maintaining a fair, safe and equitable marketplace