

**Question on Notice  
No. 782  
Asked on 18 June 2004**

**MR LIVINGSTONE** asked the Minister for Tourism, Fair Trading and Wine Industry Development (Ms Keech)—

QUESTION:

With reference to false billing which is a major concern for small businesses in today's climate—

What is the Office of Fair Trading doing to counter these fraudulent practices?

ANSWER:

I thank the member for his question and applaud him for his continuing support for small business.

The Queensland Office of Fair Trading (OFT) is participating with all Commonwealth, State and Territory Fair Trading agencies in a co-ordinated response to address the practice of false billing. These agencies are exchanging information and assisting each other in a targeted approach to this national problem. Queensland is also represented on a working party comprising Victoria, New South Wales, Australian Capital Territory, Tasmania and the Australian Competition and Consumer Commission, whose aim is to reduce the incidence of false billing.

OFT has successfully prosecuted companies and individuals undertaking false billing activities and will continue to do so. Investigations are currently being conducted into organisations that are significantly involved in this type of activity. However, as the investigations are ongoing it would be inappropriate to provide details of these matters.

In addition, OFT continues to educate businesses on how to avoid invoice fraud by:

- Hosting 23 business fraud seminars State-wide, incorporating Queensland Police Service and Suncorp participation as part of it's TradeSmart campaign;
- Providing information and advice on fraud and scams in all general business and consumer publications;
- Providing every new business which registers their business name with a *Good Business Guide* that includes a detailed section on how to avoid being ripped off by invoice fraud;
- Including information on how to avoid invoice fraud in all licence-specific *Good Business Guides* issued to licensees;
- Issuing regular scam alerts via facsimile, email, and the newspaper and television media;
- Having a specific section of the OFT website at [www.fairtrading.qld.gov.au](http://www.fairtrading.qld.gov.au) dedicated to scam warnings and alerts;
- Ongoing and targeted placement of scam stories in Queensland publications;
- Including the issue of invoice fraud in its Scam Smart campaign;
- Circulating information with regard to invoice fraud through its community education campaign, for example: through avenues such as public presentations, expos and trade shows; and
- Featuring scam warnings on regular radio spots.

To avoid fake billing scams, Fair Trading recommends that before ordering or paying for advertising, businesses:

- ask for previous editions of the proposed publication to be sent by mail;
- check the publication's circulation (Audit Bureau of Circulation);
- ask for written information on the publication;
- ask for referees;
- check with other advertisers to determine bona fides of publication;
- not be pressured into paying if you're not satisfied with the authenticity of the invoice;
- look over advertisements before payment; and
- check for scam alerts with OFT and Australian Securities and Investments Commission (ASIC).

It is also recommended that businesses set in place, as a minimum, the following rules and procedures to check all invoices and purchases carefully:

- routinely enter invoice details before payment;
- do not pay unless you have issued an order number and match all invoices to orders or only pay a deposit; and
- do not approve purchases over the phone - get it in writing first.

Most importantly, be wary of bills from traders you are unfamiliar with - check their background by finding out if they have an Australian Business Number (ABN) and a properly registered business name. To check these details, telephone the Australian Taxation Office on 13 24 78 for ABNs and OFT on 1300 685 030 for registered business names. Checks can also be made for business name registrations on ASIC's website at [www.asic.gov.au](http://www.asic.gov.au).