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National Anti-Scam Centre warns of spike in scams threatening Chinese students

Scammers are increasingly using a range of alarming tactics to threaten, intimidate and steal from Chinese students living in Australia, the National Anti-Scam Centre has warned.

Reports of scammers posing as Chinese police to target young people studying in Australia more than doubled in August, compared with previous months. Since the beginning of the year, there have been a total of 1,244 reports and \$8.7 million in losses to the scam.

“We are very concerned by the rising number of reports we have had from Chinese students, who are understandably terrified by the threatening nature of these scams,” ACCC Deputy Chair Catriona Lowe said.

“Scammers are using deplorable tactics to scare their young victims into handing over their money and providing their personal information. We are particularly disturbed by the intrusive video surveillance many victims have been subjected to over extended periods.”

“The National Anti-Scam Centre is sharing its intelligence with Australian police and working with universities to warn Chinese students, particularly in Victoria, NSW and the ACT,” Ms Lowe said.

How the scam works

Scammers make a phone call to the victim, initially pretending to be from a phone company or financial institution and inform them that their phone or identity is being used to in a scam or in serious financial crime. When the victim says that they are not involved they are transferred by the scammer to another scammer pretending to be the Chinese police. The number seen on caller ID during the transfer will seem to be the official police phone number as scammers are using telephone spoofing technology.

The victim is told they may be extradited to China or deported. However, the victim is offered the chance to remain in Australia while the investigation takes place, on the condition of a payment. The scammers use technology to create fake documentation including arrest warrants.

This scam often involves many calls from different people and sometimes video calls with what appear to be Chinese police. There have also been reports of a person dressed as a police officer visiting the Australian homes of the victims to deliver documentation. Many of the victims were monitored 24 hours a day using messaging platforms and device video technology.

In fact, Chinese authorities are not involved in these contacts. This is conducted entirely by scammers purporting to represent various official Chinese institutions.

“This type of scam is highly sophisticated and convincing because it involves multiple perpetrators who play on their victim’s fears by threatening them and their family with years of jail time,” Ms Lowe said.

“In one case, a young man paid over \$400,000 to scammers after he was told he would be arrested. He was also told he was under surveillance and was instructed to have Facetime open 24 hours a day.”

Warning signs

- You receive a call, message, or email out of the blue from someone claiming to be from a phone company, bank, government department, or trusted company.
- The caller claims that someone is using your identity or alleges you have carried out or are involved in a serious criminal matter.
- You are told you need to prove your innocence.
- You are threatened with legal action, arrest, or deportation.
- The caller will tell you that to fix the matter you will need to pay a fee, fine, bond or bail money.
- You are told not to speak about this matter with anyone.
- You may be told to keep your camera on all the time as you are under surveillance.
- The caller may ask for your personal information, such as your passport details, date of birth or bank information.

Protect yourself

- Don't be pressured by a threatening caller asking you to prove you have not been involved in a crime. Hang up and don't respond.
- If someone tells you that you are being investigated, speak to the local police in Australia, the international student support body of your university or your local Australian-Chinese community support service.
- Don't engage with the caller and do not follow their instructions. If you do, they will escalate their intimidation tactics and attempt to get your money.
- Never leave your camera on because someone has instructed you to.
- If you are concerned for your safety, contact the police immediately by calling 000.

Top tips for avoiding scams

STOP – Don't give money or personal information to anyone if unsure. Scammers will try to verify who you are or use fear to make you believe their story. Don't rush to act. Take your time and don't give money or personal information.

THINK – Ask yourself could the call be fake? Scammers pretend to be from organisations you know and trust. Contact the organisation using contact information you source independently, so that you can verify if the call is real or not. If you're not sure, hang up.

PROTECT – Act quickly if something feels wrong. Contact the police if you have been harassed or intimidated and your bank if you have lost money to a scammer. Seek help from IDCARE and report to Scamwatch.

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