

Exclusive Politics Federal [Floods](#)

This was published 6 months ago

‘Scumbags’: Thousands make fraudulent claims for disaster relief cash



Anthony Galloway

August 14, 2022 – 5.00am

The floods in NSW and south-east Queensland have resulted in a significant increase in fraudulent claims for disaster relief payments, with the federal government detecting more than 27,000 cases of suspicious activity in the past six months alone.

Government Services Minister Bill Shorten criticised the “scumbags” who were engaging in “despicable conduct”, saying investigators were now working around the clock to catch the fraudulent claims.

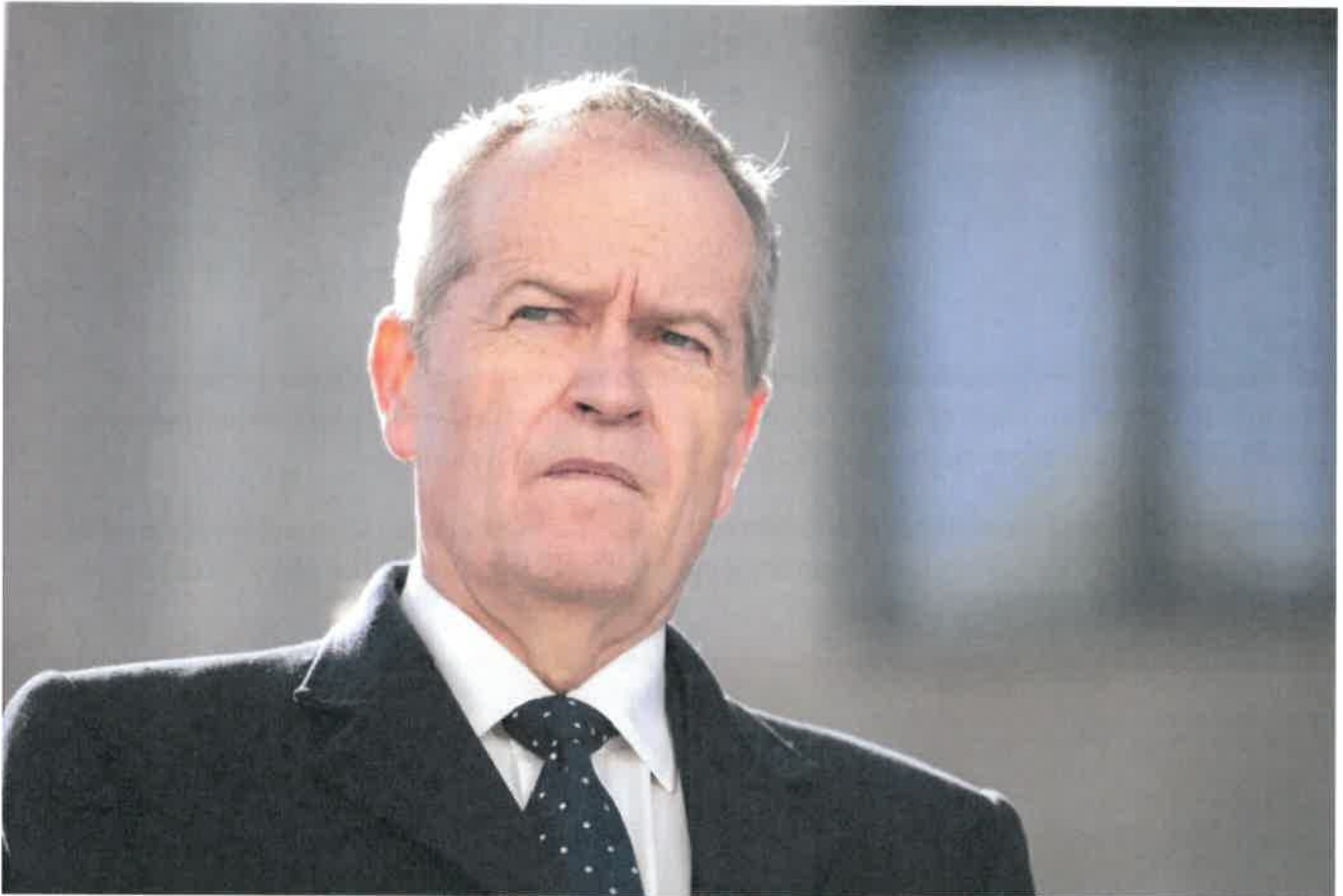


Lismore was devastated by floods this year. **BROOK MITCHELL**

New figures reveal Services Australia has begun 793 investigations into alleged fraudulent claims between February 28 and July 31.

During this period, which covers [the floods in NSW](#) and [south-east Queensland](#) in February and the [NSW floods in July](#), the agency detected a total of 27,770 cases of suspicious activity, allowing it to quarantine about \$10.5 million from being handed to fraudulent claimants. Shorten said the resources required to investigate fraud took staff away from more positive activities they could be doing for the community, including processing emergency payments.

“It’s despicable conduct and the people doing it are scumbags,” he said.



Government Services Minister Bill Shorten says investigations into fraud held up the government from getting payments out faster. ALEX ELLINGHAUSEN

“The high number of claims that have been triggered as potentially fraudulent is alarming.

“Services Australia are working around the clock to investigate these claims, and people who defraud taxpayers will be caught and face charges.”

The damage bill for the February flood disaster that ravaged Queensland and NSW is about \$4.3 billion, the fourth highest from a natural disaster in Australia’s history. In total, Services Australia has received 3.5 million claims relating to the floods.

Federal Labor was [critical of the former government](#) over delays to flood assistance payments. But at least some of the delays are being caused by the increasing number of fraudulent claims, which are requiring resources to be put into investigations.

Over the past year, the agency has completed more than 916 investigations into alleged fraud against the natural disaster assistance program, resulting in more than 57 referrals to the

Commonwealth Director of Public Prosecutions for criminal prosecution.

In July this year alone, the fraud profiling triggers stopped \$7 million from being handed out to fraudsters.

Many of the fraudulent claims were for the one-off \$1000 cash payment that was [made available after the NSW and Queensland floods in February](#).

Recent convictions for fraudulent claims include:

- A NSW woman who used 42 stolen identities and 31 fabricated identities to claim payments for numerous natural disasters from the NSW bushfires in September 2019 to the Victorian bushfires three months later. She opened 42 bank accounts at nine banks in the names of the victims, but was later caught and sentenced to 26 months' imprisonment and made to pay back \$86,674 in March this year;
- A NSW woman who was convicted and fined \$1332 for making a false claim after she stated that her holiday park residence sustained damage and received a \$1400 payment. The holiday park later confirmed there was no damage to the property;
- A NSW man who provided a false address and false images of damage for the NSW bushfires in September 2019, later convicted and sentenced to four months' imprisonment;
- A NSW woman sentenced to an intensive corrections order for attempting to falsely claim a payment for the same event by providing a false image; and
- Another NSW woman who used stolen identity papers to claim four fraudulent payments for the NSW bushfires in September 2019, later sentenced to 14 months' imprisonment and made to pay back \$20,342.

Get to the heart of what's happening with climate change and the environment. Our fortnightly Environment newsletter brings you the news, the issues and the solutions. Sign up here.



Anthony Galloway is political correspondent for The Sun-Herald and The Sunday Age. Connect via [email](#).