

## *Protecting personal identity*

Identity crime includes both identify fraud and identity theft. Put simply, identity theft is when a person fraudulently assumes another's identity, and identity fraud is unauthorised use of another person's personal information.

The victims of identity crime often experience a high financial cost as well as damage to their reputation and credit rating. According to American research, the financial cost experienced by victims of identity crime can average more than A\$8,000, and it may take years for their credit rating to be restored, leaving them ineligible for loans and being refused credit (Johannes et al. 2006). The average financial cost of being a victim of identity crime rose almost A\$1,500 in the period between 2003 and 2006 (Johannes et al. 2006).

Traditional means of committing identity crime such as 'dumpster diving' (retrieving bills, bank statements, expired credit cards etc from rubbish bins) or purse or wallet theft are still common, but use of the internet to facilitate identity crime is rapidly increasing. Recent research in the United States showed that:

- Phishing – assuming the identity of a legitimate organisation or website using forged email, fraudulent websites or other instant messaging communication forums such as MSN, to persuade others to provide information – increased 100-fold between 2004 and 2006.
- Keyloggers – computer software or hardware that monitors keystrokes made by the computer's user – increased 250 percent during the same period (Paget 2007).

Although the methods used in identity crime have changed, traditional measures used to protect identity from this type of crime remain important (AIC 2003). The following methods can be used to reduce the risk of becoming a victim of identity crime:

- Never give out personal information to a person you don't know or trust, or if you are unsure the person is who they claim to be. This includes requests for information via emails, letters, sms, phone calls, letters or any other means.
- Old bills, records or expired cards should be shredded or destroyed before being thrown away.
- Obtain a credit report and check it for any unusual transaction at least once a year. For information on how to obtain a credit report, visit <http://www.privacy.gov.au/>

Due to the increasing number and use of internet related methods being used to facilitate identity crime, it is now also important to install and maintain up to date antivirus and anti-spyware software to reduce the risk of personal information being stolen by electronic means.

### **References**

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