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Abstract | This Statistical Bulletin presents the results from the 2023–24 Fraud Against the Commonwealth census.

A similar number of internal fraud investigations were finalised compared with the previous financial year. Fewer external fraud investigations were finalised.

Automatic processes were the primary method of detecting internal and external fraud allegations in 2023–24. Program information and program payments were the principal targets of substantiated internal and external fraud allegations respectively.

Internal and external fraud losses were lower than the losses reported in 2022–23. Australian Government entities reported greater internal fraud and lower external fraud recoveries in 2023–24 than in the previous financial year.

Fraud against the Commonwealth 2023–24

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Fraud against the Commonwealth is defined as ‘dishonestly obtaining (including attempting to obtain) a gain or benefit, or causing a loss or risk of loss, by deception or other means’ (Attorney-General’s Department 2024: 41). Fraud against the Commonwealth covers a wide range of conduct and may include, but is not limited to, the intentional misuse of Australian Government information and communications technology, assets, documents or position, corporate information and funds, program payments, revenue, or program information. Fraud may be committed by those employed by the entity (internal fraud) or by external parties (external fraud).

The consequences of fraud committed against government entities can be long-lasting. Fraud often reduces available funds for public goods and services as well as causing financial and reputational damage to the entities defrauded (Attorney-General’s Department 2024). Early detection of fraud is therefore critical to future prevention and deterrence (Jorna & Smith 2019).

The Fraud Against the Commonwealth census has been administered by the Australian Institute of Criminology since 2006. The census was established to quantify the amount and nature of internal and external fraud being committed against the Commonwealth as well as monitor the arrangements Australian Government agencies have employed to prevent, detect and investigate fraud. This paper presents census findings for the period 1 July 2023 to 30 June 2024.

Methodology

The 2023–24 census was designed in accordance with the Commonwealth Fraud Control Policy 2017, which was in effect during the 2023–24 reporting period, and in collaboration with the Attorney-General Department’s Commonwealth Fraud Prevention Centre.

The 2023–24 Fraud Against the Commonwealth census included questions on fraud control arrangements, fraud allegations, commenced investigations and other responses (previously referred to as alternative actions), and finalised fraud investigations and other responses. Questions on other responses finalised during the reporting period were introduced in the 2023–24 census. Due to question structure, data on substantiated allegations, primary detection method, the target and method for committing the fraud, and outcome, could not be disaggregated by whether the case was investigated or dealt with by other response. As such, relevant trend analysis where an investigation was finalised during the reporting period is not presented in this report.

Census responses were collected from 157 Australian Government entities between 26 August and 1 December 2024. This included 97 non-corporate entities who are required to respond to the census, 51 corporate Commonwealth entities and nine Commonwealth companies. The breakdown of these entities by size, based on the number of employees, and function is shown in Table 1. Approximately one-fifth of responses each came from extra-small (21%, $n=33$) and small (19%, $n=29$) entities. Approximately one-quarter each came from medium (26%, $n=40$) and large (24%, $n=37$) entities. The largest proportion of responding entities perform a specialist function (35%, $n=55$), followed by entities who perform a regulatory function (13%, $n=21$).

Table 1: Size and function of responding entities, 2023–24 (n=157)		
Entity size (number of employees) ^{a,b}	n	%
Micro (<20)	11	7.1
Extra-small (20–100)	33	21.2
Small (101–250)	29	18.6
Medium (251–1,000)	40	25.6
Large (1,001–10,000)	37	23.7
Extra-large (>10,000)	6	3.8
Function ^c	n	%
Policy	16	10.2
Smaller operational	17	10.8
Larger operational	12	7.6
Regulatory	21	13.4
Specialist	55	35.0
National Cultural Institution	12	7.6
Other	24	15.3

a: Number of employees calculated using full-time equivalency staffing numbers. See <https://www.apsc.gov.au/aps-agencies-size-and-function> for size classification

b: Excludes entities where entity size was not available

c: Australian Public Service agencies are grouped into categories, also known as 'functional clusters', to allow comparisons between agencies with similar primary functions. Function allocation is based on entity responses and, where possible, cross-referenced against the functions outlined by the Australian Public Service Commission. See <https://www.apsc.gov.au/aps-agencies-size-and-function> for function definitions

Source: AIC Fraud Against the Commonwealth census 2023–24 [computer file]

The comprehensiveness of data provided to the census by some entities may be affected by resources, definitional variation, entity-specific limitations on recording and reporting fraud allegations and investigations/other responses, and information on outcomes being held by another agency. Further, due to the length of time fraud investigations can take, some fraud cases finalised in 2023–24 may have been detected in previous financial years.

Fraud control arrangements

Compliance with the Commonwealth Fraud Control Framework

The *Public Governance, Performance and Accountability Rule 2014* (Cth) states that ‘a Commonwealth entity must take reasonable measures to prevent, detect and respond to fraud ... relating to the entity’ (s10). ‘Reasonable measures’ include conducting risk assessments regularly, and developing and implementing a fraud control plan that addresses identified risks as soon as practicable after conducting a risk assessment. Until mid-2024, this was referred to as the Fraud Rule and was binding for non-corporate and corporate Commonwealth entities. The Fraud Rule was in effect during the 12-month period this report refers to.

Fraud control plans help entities to document, communicate, manage and monitor any current or planned measures intended to reduce fraud risks (Attorney-General’s Department 2024). Most non-corporate Commonwealth entities (79%, $n=77$) reviewed their fraud control plan in 2023–24 and 15 percent ($n=15$) had done so in the previous financial year. Similarly, 75 percent ($n=38$) of corporate Commonwealth entities reviewed their plan in the last 12 months while 20 percent ($n=10$) did so in 2022–23.

Testing countermeasures helps entities to measure the effectiveness of their fraud controls. While testing fraud controls can be undertaken at any time, it is especially important when entities are developing new programs, undergoing a restructure, or implementing new processes or technologies (Commonwealth Fraud Prevention Centre nd). Over one-third (38%, $n=59$) of responding entities had tested the effectiveness of their fraud controls during the reporting period. A smaller proportion (10%, $n=16$) had tested them in the previous financial year (2022–23). Approximately one-third (32%, $n=51$) of entities had not tested their fraud controls.

Entities were asked about their compliance with Fraud Rule requirements. As shown in Table 2, the majority of non-corporate and corporate Commonwealth entities were fully compliant with Fraud Rule measures in 2023–24. Depending on the measure, between 65 percent ($n=63$) and 95 percent ($n=92$) of non-corporate Commonwealth entities achieved full compliance, as did 73 percent ($n=37$) to 100 percent ($n=51$) of corporate Commonwealth entities. The majority of Commonwealth companies who responded to the census were fully compliant with the Fraud Rule.

Table 2: Compliance with Fraud Rule by type of entity, 2023–24 (n)

	Non-corporate			Corporate			Commonwealth company		
	Non-compliant	Partially	Fully	Non-compliant	Partially	Fully	Non-compliant	Partially	Fully
Conducting fraud risk assessments regularly	0	11	85	1	3	47	0	1	7
Conducting fraud risk assessments when there is a substantial change	2	14	63	0	7	37	0	1	7
Developing and implementing a fraud control plan that deals with identified risks	0	15	82	0	2	48	0	1	7
Having an appropriate mechanism for preventing fraud, including by ensuring that officials in the entity are made aware of what constitutes fraud	0	7	90	0	4	47	0	1	7
Having an appropriate mechanism for preventing fraud, including by ensuring that the risk of fraud is taken into account in planning and conducting the activities of the entity	1	18	78	0	5	46	0	0	8
Having an appropriate mechanism for detecting incidents of fraud or suspected fraud, including a process for officials of the entity and other persons to report suspected fraud confidentially	0	9	88	0	4	47	0	0	8
Having an appropriate mechanism for investigating or otherwise dealing with incidents of fraud or suspected fraud	0	8	89	0	2	49	0	1	7
Having an appropriate mechanism for recording and reporting incidents of fraud or suspected fraud	0	5	92	0	0	51	0	0	8

Note: Excludes missing data and 'not applicable' responses

Source: AIC Fraud Against the Commonwealth census 2023–24 [computer file]

Preventing, detecting and investigating fraud: Innovations and limitations

Adapting fraud control measures to appropriately address emerging risks is an important part of preventing and responding to fraud for Australian Government entities. The census asked entities to provide a summary of new or revised measures implemented during 2023–24 to prevent, detect or respond to fraud.

Sixty-eight percent ($n=106$) of responding entities implemented new measures or revised current practices in 2023–24. Of these, 46 percent ($n=49$) cited multiple new or revised measures. The average number of new or revised measures implemented by these entities in 2023–24 was two (range=2–6). About half of the entities (55%, $n=58$) stated they had reviewed existing policies or procedures, approximately one-third (29%, $n=31$) improved or increased staff training in fraud and one-fifth (22%, $n=23$) introduced new policies or procedures. Fifteen percent ($n=16$) updated or introduced new information and communications technology and 13 percent each conducted risk or integrity assessments ($n=14$) and introduced new roles or teams ($n=14$). A small proportion undertook audits (4%, $n=4$).

Entities were also asked about the factors that limited their ability to innovate fraud control measures. Approximately two-thirds of entities (65%, $n=69$) who had implemented new or revised fraud control practices indicated restraints on innovation. Over half of entities (54% $n=57$) cited staffing constraints as limiting innovation. Over one-third reported technological limitations (37%, $n=39$) and one-third each mentioned financial (33%, $n=35$) and operational priorities (33%, $n=35$). Fifty-one percent ($n=54$) of entities who implemented new measures or revised current ones cited multiple barriers to innovation.

Of those entities that did not implement new measures or revise current ones ($n=51$) in 2023–24, 43 percent ($n=22$) cited staffing constraints as a reason for not doing so, one-quarter ($n=13$) cited operational priorities and one-fifth (22%, $n=11$) cited financial limitations. One-fifth of entities ($n=10$) reported that new strategies were not warranted.

Fraud allegations

For the purposes of the census, fraud was classified as internal fraud (fraud perpetrated against an entity by officials or contractors of that entity) or external fraud (fraud perpetrated against an entity by an external party). Fraud allegations can be detected by the entity—through processes such as software flags, alerts, operational processes or data analytics—or received by the entity, through means such as tip-off lines or referrals from other agencies.

Forty-six percent ($n=72$) of responding entities received or detected fraud allegations in 2023–24. This is similar to the proportion reported in 2022–23 (45%, $n=70$). A total of 288,808 allegations of fraud were received or detected by Australian Government entities in the reporting period. As in previous years, most allegations related to external fraud. In 2023–24, 95 percent ($n=274,991$) of allegations received or detected by Australian Government entities concerned external fraud and four percent ($n=12,558$) related to internal fraud. Almost all internal and external fraud allegations in 2023–24 were received or detected by extra-large entities—96 percent ($n=12,016$) of internal fraud allegations and 98 percent ($n=269,309$) of external fraud allegations (see Table 3).

The total number of fraud allegations received or detected by Australian Government entities declined by 24 percent between 2022–23 and 2023–24, from 378,033 to 288,808. This decrease was driven by the 25 percent decrease in external fraud allegations (366,196 vs 274,991). Internal fraud allegations increased by nine percent between the two financial years (11,473 vs 12,558).

A majority of internal fraud allegations were detected (79%, $n=9,907$) by the entity, while 21 percent ($n=2,647$) were received. Of the external fraud allegations, 68 percent ($n=187,415$) were detected by the entity and 32 percent ($n=87,561$) were received. The proportion of internal frauds detected in 2023–24 decreased from 2022–23 while the proportion of external frauds detected increased.

Entity size (number of staff)	Solely internal fraud	Solely external fraud	Other/ unclassified	Total
Micro (<20)	0	0	0	0
Extra-small (20–100)	1	3	0	4
Small (101–250)	3	8	0	11
Medium (251–1,000)	79	1,221	0	1,300
Large (1,001–10,000)	454	4,450	1,259	6,163
Extra-large (>10,000)	12,016	269,309	0	281,325
Total^a	12,558	274,991	1,259	288,808

a: Includes allegations detected or received by entities where entity size was not available

Source: AIC Fraud Against the Commonwealth census 2023–24 [computer file]

Fraud investigations and other responses

Investigations and other responses commenced

Entities were asked about fraud investigations and other responses commenced in 2023–24. An investigation was ‘commenced’ when the entity determined that the allegation of fraud met the threshold for starting an investigation. An ‘other response’ was commenced if the allegation of fraud met the definition of fraud but did not meet an entity’s threshold for investigation. An investigation or other response may commence the same year the allegation was received or detected or in a subsequent year.

Thirty percent ($n=47$) of responding entities commenced an internal fraud investigation and/or other response in 2023–24 and 28 percent ($n=44$) commenced an external fraud investigation and/or other response.

During the 12-month period, 3,325 fraud investigations and 27,265 other responses were commenced. Thirty-one percent ($n=1,045$) of commenced investigations related to allegations of internal fraud, a higher proportion than in the previous financial year (22%, $n=1,207$; see Figure 1). Sixty-nine percent ($n=2,280$) of commenced investigations related to allegations of external fraud (see Table 4), a decrease from 78 percent in the previous reporting period. The majority of other responses (95%, $n=25,979$) related to allegations of external fraud.

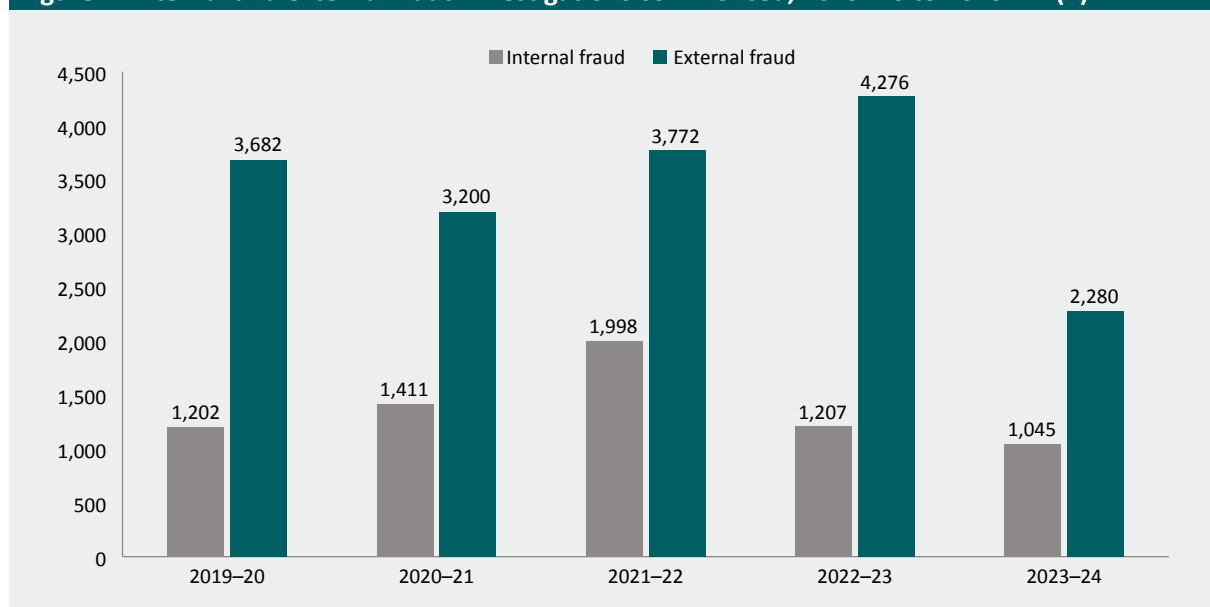
Table 4: Commenced fraud investigations and other responses by entity size and fraud type, 2023–24 (n)

Entity size (number of staff)	Solely internal fraud		Solely external fraud	
	Investigations commenced	Other responses commenced	Investigations commenced	Other responses commenced
Micro (<20)	0	0	0	0
Extra-small (20–100)	0	0	0	0
Small (101–250)	1	0	1	1
Medium (251–1,000)	18	25	587	258
Large (1,001–10,000)	114	167	262	1,112
Extra-large (>10,000)	911	1,090	1,430	24,608
Total^a	1,045	1,286	2,280	25,979

a: Includes allegations from entities whose size was not provided

Source: AIC Fraud Against the Commonwealth census 2023–24 [computer file]

Figure 1: Internal and external fraud investigations commenced, 2019–20 to 2023–24 (n)



Source: AIC Fraud Against the Commonwealth census 2019–24 [computer file]

Investigations and other responses finalised

Entities were also asked about fraud investigations and other responses finalised in 2023–24. A fraud investigation is finalised when one of the following has occurred: the entity's investigation of the allegations has concluded, the allegations have been referred to a law enforcement or prosecution entity for further action, debts or liabilities arising from the investigation have been written-off as unrecoverable, or the individual who was the subject of allegations has died. An 'other' response is finalised when one of the following has occurred: the entity's response to the allegations has concluded, the allegations have been referred to a law enforcement or prosecution entity for further action, debts or liabilities arising from the response have been written-off as unrecoverable, or the individual who was the subject of allegations has died. An investigation or other response may be finalised in the same year it commenced or in a subsequent year.

Thirty-eight percent ($n=60$) of entities reported finalising an investigation and/or other response in 2023–24. Forty-five entities (29%) finalised an internal fraud investigation and/or other response, while 43 entities (27%) finalised an external fraud investigation and/or other response.

In 2023–24, 31 percent ($n=48$) of entities reported finalising an investigation. There were 3,957 investigations finalised during the 12-month period (see Table 5). Of these, 33 percent were investigations into internal fraud and 67 percent were investigations into external fraud.

Table 5: Finalised fraud investigations and other responses by entity size and fraud type, 2023–24 (n)

Entity size (number of staff)	Solely internal fraud		Solely external fraud	
	Investigations finalised	Other response finalised	Investigations finalised	Other response finalised
Micro (<20)	0	0	0	0
Extra-small (20–100)	0	0	1	1
Small (101–250)	0	0	0	1
Medium (251–1,000)	13	11	585	260
Large (1,001–10,000)	102	81	754	328
Extra-large (>10,000)	1,194	777	1,307	24,152
Total^a	1,310	869	2,647	24,742

a: Includes allegations from entities where entity size was not available

Source: AIC Fraud Against the Commonwealth census 2023–24 [computer file]

A similar number of internal fraud investigations were finalised in 2023–24 compared with 2022–23 (1,310 vs 1,299; see Figure 2). However, there was a drop of 53 percent in the number of finalised external fraud investigations, from 5,616 in 2022–23 to 2,647 in 2023–24. The median number of internal and external fraud investigations finalised per entity in 2023–24 was two and nine respectively. Due to the length of time investigations can take, not all investigations finalised in the reporting period relate to allegations detected or investigations commenced in the same financial year. Thus, variation in the number of investigations finalised each year is not uncommon.

Figure 2: Internal and external fraud investigations finalised, 2019–20 to 2023–24 (n)



Source: AIC Fraud Against the Commonwealth census 2019–24 [computer file]

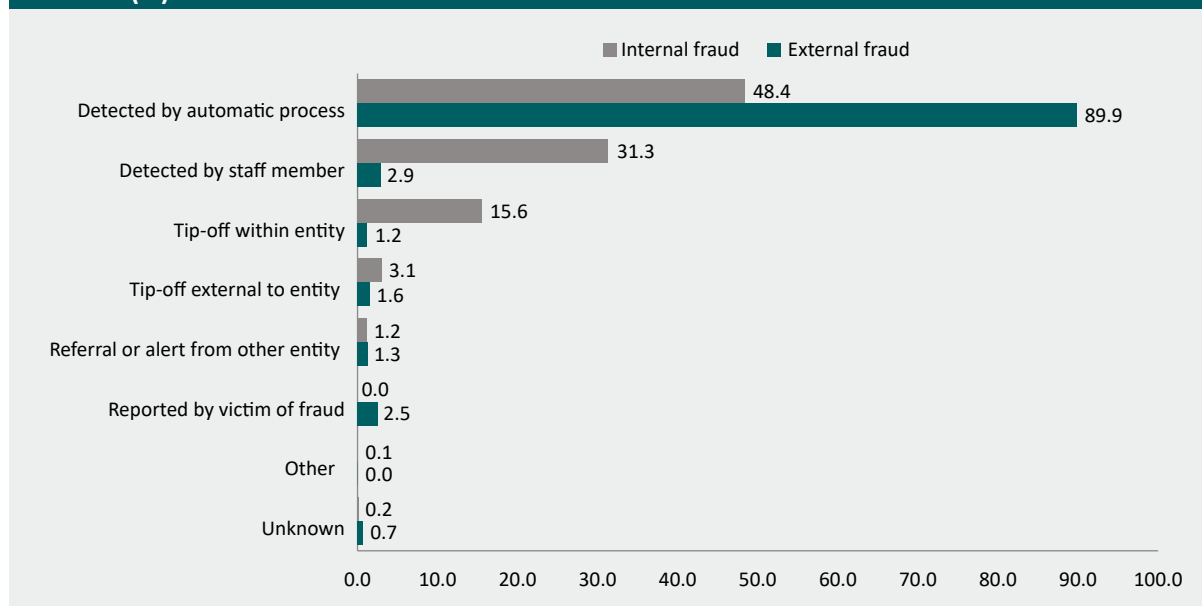
There were 25,611 other responses finalised during the 12-month period, of which most related to external fraud (97%, $n=24,742$). Twenty entities finalised internal fraud other responses and 19 finalised other responses to external fraud. The median number of other responses finalised per entity was three for internal fraud and six for external fraud. As is the case for investigations, not all other responses finalised in the reporting period relate to fraud allegations detected or other responses commenced in the same financial year.

Method of detection

Figure 3 shows the primary method of detecting internal and external frauds where an investigation or other response was finalised in 2023–24. Almost half of internal fraud cases were primarily detected by automatic processes (eg software flags or alerts; 48%, $n=1,055$). This was followed by detection by a staff member (31%, $n=681$) and a tip-off within the entity (16%, $n=341$). These three methods were responsible for detecting internal fraud in 95 percent ($n=2,077$) of finalised investigations and/or other responses.

The majority (90%, $n=24,615$) of external fraud cases were detected by automatic processes. The remaining cases were detected using various methods. Another three percent ($n=803$) were detected by a staff member, two percent each were reported by the victim of the fraud ($n=676$) or were an external tip-off ($n=433$) and one percent each were from a referral or alert from another entity ($n=348$) and a tip-off within the entity ($n=317$).

Figure 3: Primary method of detecting fraud in finalised investigations and other responses, 2023–24 (%)



Source: AIC Fraud Against the Commonwealth census 2023–24 [computer file]

Method of investigation

Entities were asked if fraud investigations and/or other responses finalised in 2023–24 were investigated internally, externally or both. Entities could select multiple options depending on how cases of fraud were investigated. Thus, the total number of investigative types exceeds the total number of entities that finalised an internal or external fraud investigation and/or other response.

Most entities that finalised internal fraud investigations or other responses conducted the response internally (91%, $n=41$). Approximately one in 10 entities (11%, $n=5$) had the internal fraud matter investigated externally and over one-quarter of entities used a combination of internal and external responses to investigate the alleged fraud (27%, $n=12$).

Just over half of entities that finalised external fraud investigations or other responses in 2023–24 conducted the response internally (53%, $n=23$), whereas just under half (47%, $n=20$) used a combination of internal and external responses. One-fifth of entities conducted the investigation or other response externally (21%, $n=9$). As in previous years, financial institutions, other government agencies and law enforcement were the most commonly reported external agencies that contributed to fraud investigations in 2023–24.

Findings of investigations and other responses

Forty-six of the 60 entities that finalised an investigation or other response in 2023–24 substantiated an allegation of fraud. In total, 26,378 fraud allegations were substantiated in full or in part during the 12-month period. An allegation was substantiated where there was sufficient evidence or proof to confirm the claim of fraud. Fraud allegations were substantiated in 43 percent ($n=936$) of finalised internal fraud investigations or other responses and 93 percent ($n=25,442$) of finalised external fraud investigations or other responses.

Targets of fraud

Program information was identified as the principal target in 38 percent ($n=357$) of internal frauds where an investigation or other response was finalised and the allegations substantiated. This was followed by program payments (22%, $n=207$) and corporate funds (13%, $n=118$).

Program payments were identified as the principal target in the majority of external frauds in which the investigation or other response was finalised and the allegations substantiated (97%, $n=24,779$). The principal target in the remaining three percent of cases were natural resources (2%, $n=397$), 'other' targets (<1%, $n=124$) and corporate funds (<1%, $n=91$).

Methods used to commit fraud

The misuse of information or digital and communication technology was identified as the principal method used to commit 54 percent ($n=509$) of internal frauds substantiated by investigation or other response in 2023–24. This misuse includes actions such as accessing programs and systems without authorisation, falsifying information, misusing email and committing cyber attacks. The misuse of documents (eg creating or using false or altered documents, concealing or failing to provide documents and misusing entity credentials) was identified as the primary method for 22 percent ($n=203$) of internal frauds. A minority of internal frauds were primarily committed through the misuse of position (5%, $n=47$).

The findings for the principal method of committing external frauds are not included in this bulletin due to the high number of 'unable to be determined' responses.

Outcomes of investigations and other responses

Internal disciplinary action was the principal outcome of approximately half (49%, $n=462$) of the internal fraud allegations substantiated in 2023–24. This was followed by termination of employment or contract by dismissal (15%, $n=142$) and an 'other' outcome, including the matter being referred to internal parties for further investigation and the strengthening of controls within the agency (13%, $n=123$). Four percent ($n=37$) of cases were referred to police (state or federal) or another agency.

Of the external fraud investigations or other responses finalised in 2023–24 in which allegations were substantiated, the claim or benefit being withdrawn or terminated was the principal result in 16 percent ($n=4,061$) of cases. Seventy-nine percent ($n=20,182$) of external fraud allegations substantiated resulted in ‘other’ outcomes, such as infringement notices, warning letters and the entity being reimbursed. One percent ($n=151$) of external fraud cases were referred to police (state or federal) or another agency.

Amounts lost and recovered

Entities were asked to provide the total amount lost in cases where investigations or other responses were finalised in 2023–24 and the allegations were substantiated in full or in part. Similarly, entities were asked to provide the total amount of fraud losses recovered during the reporting period, regardless of when the fraud was committed, when the losses were incurred or when the investigation or other response was completed.

Losses and recoveries may be difficult for entities to quantify for several reasons, including software or system limitations, external agencies conducting investigations and the losses or recoveries being unknown or confidential settlements. Therefore, not all entities who experience financial losses as a result of fraudulent conduct or who recover amounts lost are aware of or able to quantify these amounts. This may impact the total losses and recoveries reported by the census.

In 2023–24, 15 entities quantified internal fraud losses and 12 reported quantifiable recoveries. Twenty entities were able to quantify external fraud losses and 21 entities quantified amounts recovered.

Losses

Internal fraud losses reported in 2023–24 totalled \$2,397,401. This is a decrease from the \$2,947,279 internal fraud losses reported in 2022–23. External fraud losses amounted to \$104,518,392, which is also a decrease compared with the previous year (\$158,085,466).

Fraud losses can vary between years, due to the nature of the fraud committed and its associated risks. Further, and as mentioned above, changes between years could also be caused by a variation in the number of entities being able to quantify the amounts lost compared with the previous year, better fraud prevention and detection programs being in place, or changes in the amount of fraud taking place that results in financial losses.

The median amount lost to internal fraud decreased between 2022–23 (\$27,809) and 2023–24 (\$15,310). The median amount lost to external fraud reported in 2023–24 (\$10,859) also decreased from 2022–23 (\$72,061). Several entities reported zero monetary losses as a result of internal and external fraud. When including these entities in the analysis, the median amounts lost to fraud in 2023–24 decrease to \$529 for internal fraud and \$9,760 for external fraud.

Recoveries

Internal fraud recoveries in 2023–24 were double the recoveries reported in 2022–23 (\$533,451 vs \$250,326; see Table 6). However, lower external fraud recoveries were reported in 2023–24 (\$5,789,115) compared with 2022–23 (\$7,970,433). Due to the length of time investigations can take, reported recoveries may include financial amounts recovered from frauds experienced in previous years.

The median amount recovered for internal fraud increased between 2022–23 (\$6,317) and 2023–24 (\$10,850), whereas the median amount recovered for external fraud was less in 2023–24 (\$10,846) than the median amount reported in 2022–23 (\$28,500).

Several entities also reported zero monetary recoveries as a result of internal and external fraud. When including these entities in the analysis, the median amounts recovered in 2023–24 decrease to \$26 for internal fraud and \$3,403 for external fraud.

	Total (\$)	Average per entity (\$)	Median per entity (\$)	Number of entities
Internal fraud losses	2,397,401	159,827	15,310	15
Internal fraud recoveries	533,451	44,454	10,850	12
External fraud losses	104,518,392	5,225,920	10,859	20
External fraud recoveries	5,789,115	275,672	10,846	21

a: Excludes entities that reported losses or recoveries equal to zero

Source: AIC Fraud Against the Commonwealth census 2023–24 [computer file]

Summary

Australian Government entities detected or received 288,808 allegations of fraud in 2023–24. Of these, 12,558 related to internal fraud and 274,991 related to external fraud.

Internal fraud

Internal fraud allegations accounted for four percent of all fraud allegations reported during 2023–24, a similar proportion to that reported in 2022–23 (3%). During the 12-month period, 1,045 investigations and 1,286 other responses were commenced by 47 entities, and 1,310 investigations and 869 other responses were finalised by 45 entities. The primary methods of detecting internal frauds in 2023–24 were automatic processes, detection by a staff member and a tip-off within the entity. In 43 percent ($n=936$) of fraud investigations or other responses finalised, allegations were substantiated in full or in part.

Program information, program payments and corporate funds were identified as the principal targets of substantiated internal frauds. Internal frauds were largely committed through the misuse of information or digital and communication technology and the misuse of documents. Internal fraud losses were lower in 2023–24 than in the previous year.

External fraud

External fraud allegations received or detected in 2023–24 accounted for 95 percent of all fraud allegations reported, a similar proportion to 2022–23 (97%). There were 2,280 external fraud investigations and 25,979 other responses commenced by 44 entities in the reporting period, and 2,647 investigations and 24,742 other responses were finalised by 43 entities. Automatic processes were the principal method of detecting external frauds. Most external fraud investigations and other responses finalised concluded that the allegations were substantiated, in full or in part (93%, $n=25,442$).

Almost all (97%, $n=24,779$) external frauds targeted program payments. The total amounts lost to, and recovered from, external fraud decreased from 2022–23.

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The Commonwealth Fraud Prevention Centre within the Attorney-General's Department contributed to the redevelopment of the 2023–24 census and provided comments on this Statistical Bulletin.

Commonwealth Fraud Prevention Centre

Fraud against the Australian Government undermines its ability to deliver services to the Australian community. The scale of the problem is underestimated. People who commit fraud are capable and committed and the Australian Government has acknowledged the need to take more action to prevent, find and fight fraud. To lead this effort, the Commonwealth Fraud Prevention Centre was established within the Attorney-General's Department in June 2019 as a two-year pilot to equip, enable and empower entities to improve their fraud prevention capabilities. In the 2021–22 budget, the Government extended the Centre for an additional four years. The Centre also led the development of the new Commonwealth Fraud and Corruption Control Framework, which came into effect from 1 July 2024.

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