

HOUSE OF REPRESENTATIVES - STANDING COMMITTEE ON ECONOMICS
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AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION
ANSWERS TO QUESTIONS ON NOTICE

Question No	ASIC05QON
Topic	Westpac Banking Corporations – AML/CTF investigation
Committee Member	Dr Daniel Mulino
Reference	Hansard page reference 14

Question

Dr MULINO: I'll follow up with some questions on notice on this, but I agree with you that individuals referring to advice like the moneysmart calculator or a financial adviser or something along those lines would be very useful. My concern is that the bar for accessing this scheme is so low that I doubt whether, in many instances, that kind of advice is in people's minds. I have a couple of quick questions on the Westpac probe. Could you give me an update on the money-laundering probe?

Mr Shipton: My colleague, Mr Crennan, can supplement. There's not much we can say because matters are continuing to be investigated, but I'll ask if Mr Crennan has any supplements.

Mr Crennan: As I've said in other fora, the investigation is being expedited as best it can during these circumstances. The investigation did commence very shortly after the statement of claim was filed by AUSTRAC in the Federal Court, and we are using external resources to further accelerate the investigation. But I can't say much more than that.

Dr MULINO: That's fine. I understand that you're not going to be able to put a timeline on this. Given the importance of the issues that have been flagged in this particular case and the scale of the breaches, a three-year time line along the lines that we saw with the CBA would be concerning. Are you able to give any guidance on whether you've devoted additional resources to this? In particular, have you any indication as to whether additional IT and analytical capacity is going to enable you to expedite this, and have you invested in that kind of capability in your efforts to prosecute this case?

Mr Crennan: We have devoted extra resources to this investigation for reasons that ought be fairly obvious. We have certainly devoted [inaudible] resources on briefing barristers at an early stage of the investigation, which wouldn't necessarily ordinarily be the case. In terms of the IT question, I would have to take that on notice. I don't feel like I can give a perfect answer now, but I do know that, generally speaking, we've put extra resources into the investigation. I assume that that percolates throughout [inaudible], but I'm not certain.

Answer

The type of materials and issues being investigated have not exposed a need for additional capacity of that type.

Given the volume of documentary material to be analysed, ASIC has retained an external law firm to provide additional document review and analysis capacity to expedite the investigation.