

15th June 2011

AUSTRAC Senate Committee Secretary
Senate Legal and Constitutional Committees
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Parliament House
CANBERRA ACT 2600



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Dear Secretary,

RE: Legislation requiring the disclosure of employees' personal details to third parties

I write to outline the Australian National Retailers' Association's (ANRA) concerns over the *Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy Bill 2011*; *Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy (Collection) Bill 2011*; and *Australian Transaction Reports and Analysis Centre Supervisory Cost Recovery Levy (Consequential Amendments) Bill 2011* – the *Bills*. The *Bills* are due for debate in the Senate on June 16th.

For background, ANRA represents the leading national retailers in Australia, across the full spectrum of retail products and services. Members of ANRA include household names in supermarkets, department stores and specialty retailers. ANRA members employ over 450,000 people and generate around \$100 billion in annual turnover.

ANRA understands this legislation, if passed, will require employees to provide a range of personal details prescribed under the *Anti-Money Laundering and Counter-Terrorism Financing Rules Amendment Instrument 2010 (No 3)* – including their full name, date of birth, residential address, phone number and copy of relevant identification – on each occasion they take delivery of, or deposit cash with, a 'reporting entity' (typically a secure/armed delivery service in retail settings).

ANRA's members' are concerned the new requirements have a number of practical implications that have not been considered.

There is a real risk that some employees will be extremely reluctant or unable to fully comply with the new reporting requirements. Some employees may view third-party requests for personal details as a significant encroachment on their privacy and younger employees may not have the appropriate identification.

The additional time required for further information gathering will also increase the timeframes that employees and affected businesses are exposed to heightened security risks. The likely longer time involved in conducting cash delivery and collection activities increases the opportunity for physically intercepting cash movements.

There is also a risk the combination of requesting employees' detailed personal information and potentially placing them at greater security risk could cause tension between employees and employers. This exposes employers to risk of industrial unrest.

The new reporting measures will also significantly increase the burden and cost of compliance. The lengthier process for collecting or depositing cash will use more employee time, and some employees may have to return to back-office locker rooms or similar locations to retrieve appropriate identification.

I also note that ANRA's members maintain thorough records – including employee details – of all financial transactions made by and within their businesses and conduct regular audits of business processes and systems. These additional reporting requirements are unlikely to generate additional security for the affected employees and businesses.

Thank you for considering ANRA's views on this matter. Should you have any questions about ANRA's position please contact ANRA's Policy Manager, Mr Russell Goss on _____ or at _____

Yours sincerely,



Margy Osmond
Chief Executive