

**The Parliamentary Joint Committee on Intelligence and Security (the Committee) has commenced a review into the [Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2026 \('the Bill'\)](#).**

Thank you for the opportunity to submit this submission.

Mr J Telford

Secretary - Victims of Financial Fraud (VOFF Inc)

5 May 2026

The Bill focuses on tools to strengthen: powers, flexibility and forward-looking intervention. But the Bill does NOT address: when authorities fail to act in time, accountability for regulators or institutions, recovery of funds once harm occurs or early-warning triggers based on transaction patterns

Does anyone really know the extent that financial criminals are outpacing regulation, exploiting new channels faster than rules can adapt?

As the Bill does not address past enforcement failures, delayed intervention, weak accountability or missed detection opportunities to the point where one could ask, what purpose is the 20-year AML/CTF Act?

A central finding of the 2018–2019 Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry was when Commissioner Kenneth Hayne AC QC strongly argued that existing laws were frequently ignored and that financial regulators often failed to enforce them. Hayne argued, **Existing Law was Sufficient** which required entities to act "efficiently, honestly and fairly".<sup>1</sup>

Could this same argument apply to the AML/CTF Act?

We are informed that it is the Australian Transaction Reports and Analysis Centre (AUSTRAC) that is the primary government agency responsible for enforcing the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act) but often we see the Australian Federal Police (AFP) is the agency that ensures entities act "efficiently, honestly and fairly".

Russian oligarchs brought questionable monies into London and the United Kingdom law enforcement and regulatory authorities turned a blind eye.<sup>2</sup> In Australia, it appears that the AFP is the agency to handle breaches of the AML/CTF Act, such as when it restrained approximately \$15.6 million in assets on the Gold Coast<sup>3</sup> and dismantled 'Avarus Nightwolf' in Melbourne, the "Long River" syndicate, which allegedly laundered \$229 million through the Changjiang Currency Exchange.<sup>4</sup>

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<sup>1</sup> Christian Gergis (Head of Policy, Australian Institute of Company Directors) Key findings from the banking Royal Commission final report 01 March 2019  
<https://www.aicd.com.au/regulatory-compliance/royal-commission-updates/final-report/banking-royal-commission-report.html>

<sup>2</sup> Mark Hollingsworth & Stewart Lansley LONDONGRAD From Russia with Cash the inside story of the Oligarchs - Fourth Estate, London 2010

<sup>3</sup> Operations Russian Money Laundering Syndicate (August 2024) This included seven properties—among them waterfront homes and a high-rise unit—valued at nearly \$13 million.

<sup>4</sup> Operation Avarus Nightwolf  
<https://www.youtube.com/watch?v=4ZGZQKFFvI8>

In the near \$200 million Trio Capital fraud, where was AUSTRAC? The Parliamentary Joint Committee Inquiry into the Trio fraud questioned everyone including the financial regulators, the Australian Securities and Investment Commission and the Australian Prudential Regulations Authority; Custodian banks, Auditors, Research Houses, Star Rating firms, and financial advisers. But the PJC did not question AUSTRAC. The PJC did not know that AUSTRAC held documents that showed Trio Capital money was sent to a rent-a-house in New Zealand and to a private school in China. Financial advisers and investors did not know their superannuation was being diverted to such locations as the façade created by the fraudulent Trio Capital scheme kept such details hidden from the public. The public also didn't know that the AML/CTF Act did not incentivise entities to act "efficiently, honestly and fairly"

VOFF support that the Bill gives AUSTRAC powers to restrict or prohibit financial products, services, or channels deemed "high-risk." However in the same way Commissioner Hayne found that ASIC and APRA didn't use existing law, how will the public determine whether AUSTRAC used its powers to restrict or prohibit financial products, services, or channels deemed "high-risk"?

Penalties that criminals face for money laundering hardly reflects the seriousness of the crime, deters perpetrators or acknowledges the extent of harm caused to the victims.

**VOFF submit the following recommendations:**

1. The Bill would be improved and serve ordinary consumers if it mentions penalties dished out in the United States and compare to the same type of crimes in Australia. For example, similarities in the amount of money stolen and the number of people affected.
2. The Committee push for the Bill to mention restitution and look at ways for authorities to gouge back the proceeds of crime and return stolen money back to the victims.
3. The Committee ensure the Bill recognises that Australians are being stripped of a lifetime of hard-earned superannuation savings (which Australians get mandated into). Then ensure better protection to consumers from the too frequent criminality in the financial sector.
4. The Committee needs to ensure that the Bill recognises and enshrine in legislation, that where protection fails, the blame should not be automatically passed on to the victims of the crime. Better transparency is needed and consumers that become victims should be entitled to know where their money went.
5. The Committee have to state in the Bill that the victims of financial crimes have Rights and they should not be misled or hoodwinked by government authorities that would prefer to cover-up regulatory failures or weaknesses in legislation. An ongoing inventory of the harm done to consumers needs to be mandatory. Write that into this AML/CTF Bill. It's time the financial market acknowledges the white-collar crime and the apartheid style distinction victims of financial crimes become.

Mr J Telford



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