

**Parliamentary Joint Committee on Corporations and Financial Services  
PJC Inquiry into the regulation of auditing in Australia**

**Public Hearing 9 December 2019**

**EY Responses to Questions on Notice**

---

Question Number:	1
Hansard page reference:	34

**Question:**

**Senator WHISH-WILSON:** Indeed, so the questions are probably best directed to Westpac from here. In relation to tranche 2 laws that have been talked about in this country for 13 years, do you oppose the introduction of tranche 2 laws as a corporation or as a partnership?

**Mr Johnson:** Could I just seek more guidance on tranche 2 laws?

**Senator WHISH-WILSON:** It's basically giving Austrac must stricter reporting requirements for accounting entities in relation to money laundering—

**Mr Johnson:** For accounting entities?

**Senator WHISH-WILSON:** For accounting entities, legal entities and real estate.

**Mr Johnson:** Okay. I must admit that I haven't given it a great deal of thought.

**Senator WHISH-WILSON:** That's okay.

**Mr Johnson:** We have no cash handling within our business at all, if you are referring to our requirements for Austrac. But I'm happy to take it on notice.

---

**Answer:**

We do not have a position on the introduction of tranche 2 AML/CTF laws in Australia, however, EY does and always will comply with all of the relevant regulation and legislation applicable to our business.

EY's New Zealand operations are part of the Oceania partnership, and comply with The Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) Amendment Act 2017, which put in place "Phase 2" of New Zealand's AML/CTF laws.