



**Police Federation
of Australia**

The National Voice of Policing

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The Secretary
Senate Standing Committee on Legal and Constitutional Affairs
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Inquiry into the adequacy and efficacy of Australia's anti-money laundering and counter-terrorism financing (AML/CTF) regime

The Police Federation of Australia (PFA), representing in excess of 65,000 police officers across state, territory and the federal police, has had a long-standing role in providing submissions to and appearing before parliamentary inquiries seeking to tackle serious and organised crime issues.

The PFA was one of the first organisations to call for a national criminal intelligence data base, which has now morphed into the National Criminal Intelligence System (NCIS) and for the implementation of harmonised unexplained wealth legislation. These issues were both raised through the Parliamentary Joint Committee on Law Enforcement.

We see the current inquiry into money laundering and counter-terrorism financing as a very important step in pursuing criminals linked to serious and organised crime activities.

Following on from our submissions to unexplained wealth legislation inquiries, the PFA strongly advocates a 'follow the money' strategy targeting organised criminals.

We encourage the Committee to provide police with the necessary legislative tools, advocated by the Australian Criminal Intelligence Commission (ACIC), to continue to combat organised crime. Ensuring that the facilitators who assist criminals by building complex hierarchical structures and business fronts to launder the ill-gotten gains of their criminal activity are included within this legislation. Such legislative provisions will also assist in taking away money that could fund further criminal activity and act as a deterrent by making true the old saying 'crime doesn't pay'.

It is important key regulators, including AUSTRAC, the ATO and ASIC are provided with appropriate resources. Resources to ensure they can undertake their important role in identifying potential breaches of the legislation, providing intelligence to the appropriate agencies and identifying when police need to be involved.

Anyone who derives profit from crime, should be held to account.

Some might suggest that the current proposals represent a quantum leap in law enforcement strategy, but the sophisticated methods by often highly skilled professional facilitators in gatekeeper industries, employed by criminals to transform illicit wealth into legitimate assets, should be subject to stringent obligations that reflect the diversity and roles of professions that are involved in such criminal activity.

The PFA supports the list of professions identified in the ACIC Report "Serious Financial Crime in Australia 2017" which includes –

- Lawyers;
- Accountants/Financial Advisors;
- Liquidation/Pre-Insolvency Advisors;
- Offshore Service Providers;

- ICT Professionals; and
- Real Estate Agents.

The Australian community expects a fair and just system and by ensuring that such professions are subject to the same scrutiny as financial institutions will go a long way to protecting their integrity by deterring them from being involved in facilitating organised crime. The legislation will not only impact on criminals based in Australia, but also those who might seek to hide their illegal wealth gained offshore, by investing in Australian assets. Not having the capacity to do so, damages Australia's reputation, internationally.

The ability to have legislation to support police to investigate who has beneficial ownership of companies, trusts or partnerships, and to trace, restrain and confiscate the benefits that criminals and identified facilitators derive from their offences is a vital part of any effective criminal justice system by ensuring that such funds are not able to be used for further criminal activity including drugs, violence and potentially counter terrorism offences.

I would be happy to appear before your Inquiry to give further evidence if that was desired.

Sincerely yours

Scott Weber APM
Chief Executive Officer
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