

**HOME AFFAIRS PORTFOLIO
AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE (AUSTRAC)**

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Parliamentary Joint Committee on Corporations and Financial Services

QoN Number: 020-10

Subject: 2015 AUSTRAC Report on DNFBPs

Asked by: Senator O'Neill

Question:

In 2015, AUSTRAC published a report that concluded that laundering money through real estate is an established method. It also stated that laundered money may be identified where transactions intersect with the regulated AML/CTF sector.

- a. Has AUSTRAC identified any money laundering through Real Estate using your own systems and not referrals by other countries? If so, can you please provide the details?
- b. Can AUSTRAC provide an estimate of the type of volume of AML breaches that would be happening through Designated Non-Financial Business and Professions (DNFBPs)?
- c. Is AUSTRAC confident that it can detect any breaches that occur in DNFBPs?
- d. What does AUSTRAC need in terms of legislation to detect AML/CTF breaches in DNFBPs?

Answer:

- a. Laundering of illicit funds through real estate is an established money laundering method in Australia and globally. AUSTRAC's financial intelligence activities involve analysis on a range of money laundering methodologies employed by transnational serious and organized criminals, including through real estate.

AUSTRAC does not comment on operational matters.

- b. DNFBPs are not designated entities under the AML/CTF Act.
- c. Criminal misconduct by DNFBPs is a matter for Commonwealth and State law enforcement.

- d. Applying AML/CTF regulation to DNFBPs will require legislative change. The Department of Home Affairs leads ongoing legislative considerations in relation to the AML/CTF regime.

Date Approved: 8 April 2021		
Consultation: N/A		
Additional Clearance from: (Highlight applicable) Statistics	Legal	Finance