

**Question on notice no. 10**

**Portfolio question number: BE24-010**

**2024-25 Budget estimates**

**Legal and Constitutional Affairs Committee, Attorney-General's Portfolio**

**Senator Paul Scarr:** asked the Attorney-General's Department on 29 May 2024—

Senator SCARR: Do you have any concept of the number of businesses that are potentially going to be impacted by the rollout of tranche 2—for example, the number of accountancy practices, real estate agencies or law firms? Do you know the scale?

Mr B Thomas: We do have some assessments of that. Again, it depends on the final list of designated services and what gets captured under those. Currently, we regulate about 1712 thousand entities. We estimate that, under tranche 2, that will grow to about 100,000 entities.

Senator SCARR: Sorry; do you—

Mr B Thomas: I was just checking whether we have those figures. We potentially could provide you them on notice.

Senator SCARR: Could you take that on notice? If you've got more definitive figures, I'd be interested in receiving them.

**Answer —**

Please see the attached answer.

**SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS**  
**BUDGET ESTIMATES 2024-2025**

**ATTORNEY-GENERAL'S DEPARTMENT**

**BE24-010 - Number of entities anticipated under tranche 2 AML/CTF reforms**

**Senator Paul Scarr asked the following question on 29 May 2024:**

Senator SCARR: Do you have any concept of the number of businesses that are potentially going to be impacted by the rollout of tranche 2—for example, the number of accountancy practices, real estate agencies or law firms? Do you know the scale?

Mr B Thomas: We do have some assessments of that. Again, it depends on the final list of designated services and what gets captured under those. Currently, we regulate about 17½ thousand entities. We estimate that, under tranche 2, that will grow to about 100,000 entities.

Senator SCARR: Sorry; do you—

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Senator SCARR: Could you take that on notice? If you've got more definitive figures, I'd be interested in receiving them.

Ms Chidgey: I might just add we're also looking at arrangements where there could be a sort of peak body or in the case of franchises the central area that looks after a lot of that regulation to support multiple smaller businesses.

**The response to the senator's question is as follows:**

Anti-money laundering and counter-terrorism financing (AML/CTF) regulation applies to services that are designated in section 6 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (the Act), rather than whole business sectors.

The number of reporting entities is estimated to be around 100,000, but this number will depend on the definition of specific high-risk services, which is subject to consultation. For example, as not all legal services will be regulated under the AML/CTF regime, legal firms that do not provide those services will not be regulated.