

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS  
ATTORNEY-GENERAL'S DEPARTMENT

**Group 3**

**Question No. 40**

**Senator Boyce asked the following question at the hearing on 24 February 2014:**

Senator BOYCE: These nine Russian tourists had put \$30 million into numerous Gold Coast bank accounts. I was asking earlier about the number of bankruptcies in Queensland—and the Gold Coast tops Australia for bankruptcies. Is the Gold Coast something of a hot spot for financial misbehaviour?

Mr Schmidt: The major centres in Australia all have elements of criminal behaviour. Obviously Sydney and Melbourne, just as they are the centres of legitimate commercial activity, have a lot of the illicit behaviour as well. The Gold Coast is a significant area. As to whether it is a hot spot, I would say there is a certain amount of activity there which warrants attention.

Senator BOYCE: You would expect that there would be a certain amount of criminal behaviour where there is legitimate financial activity. From some of the reporting that I have seen, it seems that the Gold Coast has a higher percentage than one might expect, given that it would not even be in the top five financial centres in Australia.

Mr Schmidt: I do not have a clear answer on that question.

Senator BOYCE: Would you be able to take it on notice and see if there is anything you can provide in this area.

Mr Schmidt: Yes.

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

AUSTRAC analysis is unable to draw a direct correlation between the level of financial transaction reports received in respect of a particular geographic location, such as the Gold Coast, and the level of criminal activity which may be occurring in that location.