

**SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS**  
**BUDGET ESTIMATES 2017**

**Australian Transaction Reports and Analysis Centre**

**Question No. BE17-198**

**Senator Watt asked the following question on 29 August 2017:**

Senator WATT: Has AUSTRAC had to scale back any operations as a result of funding cuts?

Mr Clark: No, we allocate resources as required, and obviously to the highest risk. That is our approach and that will continue.

Senator WATT: Does that mean there have been some activities that have had a reduction of funding in order to fund certain other activities?

Mr Clark: It is normal in the course of organising the way your agency operates to allocate and shift resources as needs arise, and that will continue to occur.

Senator WATT: Could you take on notice which activities within AUSTRAC, going back to 2013-14, have had funding increases and decreases? I want to get a sense of where money has been moved within the agency. I accept that it happens. We have had these conversations with other agencies as well, but I would be interested in

seeing where the money has gone up and down. Have you raised concerns around funding levels with your minister?

Mr Clark: No.

Senator WATT: Never in your knowledge? So are you confident that you have the resources you need to keep track of this kind of money laundering and terrorism financing?

Mr Clark: We allocate resources as we need to the highest risks, and the issues you have mentioned are highrisk, and we will continue to do that.

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

AUSTRAC operates with a flexible approach, adjusting priorities and work as required in response to changes in AUSTRAC's external environment and/or changes in anti-money laundering and counter-terrorism financing risks in the regulated population. In this same manner, AUSTRAC allocates—and continually reviews and adjusts—agency resources to ensure it is focused on the highest risk. Due to internal restructures over the last five years to best address these risks, it is not possible to provide a meaningful comparative analysis of funding increases and decreases of activities or capabilities going back to 2013-14. To do so would require an unreasonable diversion of resources.