

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE  
AUSTRALIAN FEDERAL POLICE

**Question No. 285**

**Senator Ludwig asked the following question at the hearing on 31 October 2005:**

- a) Could the AFP indicate if the AFP have liaised with AUSTRAC in developing the financial intelligence capability of the AFP?
  - i) If so, what was the content of the communication?
  - ii) If not, why not?
- b) How does this financial intelligence gathering differ from the functions of AUSTRAC?
- c) Has AUSTRAC been consulted on how the AFP are performing the financial intelligence gathering functions?
- d) Has AUSTRAC provided any resources or staff to assist the AFP in developing its financial intelligence capacity?
- e) Could you indicate how many AFP officers are currently seconded to the development work of this capacity?
  - i) Of those, how many are sworn and how many are unsworn?
- f) What external clients and interim clients have the AFP been building relationships with over the past 12 months?
- g) Does this include both private agencies and government agencies?
- h) How many financial analysts/financial officers been recruited as part of this program?
  - i) What has been the cost of recruiting them?
  - ii) How were they selected?
- i) What work has the AFP done with AUSTRAC on the recruitment of appropriate analysts and financial officers?

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

- a) Yes. AUSTRAC delivers presentations to various AFP Learning and Development programs such as: financial investigations training; management of serious crime training; and general intelligence training. Day to day liaison between the two organisation takes place through in-posted AUSTRAC staff at each AFP state office and at AFP Headquarters.
- b) AUSTRAC is responsible for cash dealer reporting under the *Financial Transactions Reporting Act 1988* (FTRA) and referral of relevant reports to partner agencies (of which AFP is one). The AFP collect financial information from a variety of sources at a national and international level. Collection priorities are determined by the crime types to which AFP resources are deployed. The AFP receives and generates financial intelligence.
- c) The AFP provides quarterly feedback to AUSTRAC on AFP matters that have used AUSTRAC information. Feedback is also provided through AUSTRAC Partner Liaison Support (PLS) officers seconded to the AFP offices in Melbourne, Sydney, Brisbane, Adelaide and Perth.

- d) Yes. An AUSTRAC Analyst has been seconded to the AFP National Intelligence, Economic and Special Intelligence (ESI) team since early-2003. AUSTRAC also has on-site Partner Liaison Support (PLS) officers in each major AFP Office (six in total). There are three off-site PLS members that service the AFP office for AUSTRAC related matters.
- e) The AFP ESI team consists of: a Team Leader, four Financial Analysts; one AUSTRAC Analyst; one Intelligence Officer; and one Intelligence Support Officer. There is also one Financial Analyst imbedded within the National Counter-Terrorism Intelligence team. Additionally, AUSTRAC has 22 staff deployed to the AFP across Australia. These staff make up the Regional AUSTRAC Team.
  - i) There is no specific requirement for staff within the ESI or Counter-Terrorism Intelligence to be either sworn or unsworn. All team members at present are unsworn officers.
- f) In addition to AUSTRAC, the ESI team is involved in building client relationships with the Australian Taxation Office (Serious Non-compliance) and Australian Securities and Investment Commission (ASIC). The AFP has been building on its level of interaction with key stakeholders in both the private and public sectors in order to meet its obligations with the Financial Action Task Force Recommendations and the Asia Pacific Group. In order to build on existing legislation and in anticipation of new anti-money laundering legislation a great deal of consultation concerning impact has also occurred.
- g) The AFP has no client relationships with private agencies however, collaboration and relationship building is undertaken with private agency key stakeholders.
- h) Since establishing the ESI team, three new Financial Analysts have commenced employment with the AFP.
  - i) Approximate total recruiting costs—\$20,000.
  - ii) Selections for engagement in the AFP are decided on merit, based on an assessment of the relative suitability and capacity of the applicants against the selection criteria.
- i) The AFP has not consulted AUSTRAC in recruitment of financial analysts as this is an internal matter for the AFP.