

**FINANCIAL TRANSACTION REPORTS AMENDMENT BILL 2018**

*Introduction and First Reading*

Bill introduced, on motion by **Mr J.R. Quigley (Attorney General)**, and read a first time.

Explanatory memorandum presented by the Attorney General.

*Second Reading*

**MR J.R. QUIGLEY (Butler — Attorney General)** [2.57 pm]: I move —

That the bill be now read a second time.

The Financial Transaction Reports Act was passed by this Parliament in 1995. It was the result of an agreement by the then Standing Committee of Attorneys-General to pass model state legislation requiring cash dealers, typically banks, to provide information to state police regarding offences against state laws and protecting cash dealers against legal action in relation to providing that information. This initiative stemmed from Australia's membership of the Financial Action Task Force, which is an international intergovernmental body established in 1989 by the ministers of its member jurisdictions. The objectives of the task force are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.

The Western Australian Financial Transaction Reports Act 1995 complemented the commonwealth's Financial Transaction Reports Act 1988 in its requirement for all cash transactions over a certain sum, international fund transfers and suspicious matters to be reported to specified authorities. For commonwealth purposes, the authority is the Australian Transaction Reports and Analysis Centre, known as AUSTRAC, and in this state the authority is the Western Australia Police Force. In 2006 the commonwealth enacted the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, which gave AUSTRAC a new regulatory role and expanded its enforcement and compliance powers. The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 has largely superseded the reporting requirements of the commonwealth's Financial Transaction Reports Act 1988, although that act contains residual operating provisions.

Under the state's Financial Transaction Reports Act 1995, the Western Australia Police Force is able to obtain information from a cash dealer who has provided a report to AUSTRAC only when that information has been provided under the commonwealth's Financial Transaction Reports Act 1988. However, the WA Police Force is currently unable to access transactional reports and documents made to AUSTRAC by a cash dealer under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. Amending the Western Australian Financial Transaction Reports Act 1995 to reflect the new reporting obligations in the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 will enable the Western Australia Police Force to access from cash dealers transaction reports, documents and other information made to AUSTRAC under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006.

The amendments provide that a reporting entity that communicates information to AUSTRAC under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 is also required to report the information to a designated authority in Western Australia if required. The amendments also provide that a reporting entity that communicates information to the AUSTRAC CEO that is not reported under the commonwealth Financial Transaction Reports Act 1988 or the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 may nevertheless be required to report that information to a designated authority in Western Australia if required.

Time frames for compliance are also introduced in the amendments, but they do not replace the requirements to comply as soon as practicable. Commensurate with the nature of model legislation, several other jurisdictions, including Victoria, Queensland, South Australia and the Northern Territory, have amended their legislation to include a new provision to reflect the new reporting obligations in the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, thereby enabling police in those jurisdictions to legally obtain information and documents under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006.

In summary, this bill will update Western Australia's Financial Transaction Reports Act 1995 to give the Western Australia Police Force powers to obtain information and reports from cash dealers under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. It will assist Western Australian law enforcement authorities in their investigation and prosecution of money-laundering and terrorist-financing activities, which will ultimately be of benefit to the entire community.

I commend the bill to the house.

Debate adjourned, on motion by **Mr A. Krsticevic**.