

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS

Bank of Queensland

BAQ18QON: **Dr MULINO:** ... Thank you for the information you've given on the size of the AML/CTF team and the fraud team. It would be great to get a breakdown of a headcount by AML/CTF, fraud and other related areas of risk in IT, and also trends in those over the last five to 10 years, to get a sense of where those are headed—and also in terms of dollars invested. Obviously the headcount is one measure, but you'd imagine there would be an IT and data analysis challenge as well in a number of those tasks.

Mr Frazis: We are happy to take that on notice. You are right in the sense that both the headcount and the investment, and the cost, have increased over that time. My sense is that they will continue to increase.

Answer: BOQ currently employs 87 people across the AML/CTF and fraud functions. Of these, 53 people work directly on AML/CTF, 6 on AML compliance and 28 on fraud. 21 people were employed across these functions in 2016.

In addition to the staffing levels outlined above, in March 2019, an AML project was established to deliver a new platform which would underpin our capabilities in this area. A significant number of staff have been employed to deliver this project. The total budget allocated to the AML project is \$34.6 million, which covers both the information technology costs of the new platform and the other resources needed to ensure delivery.

BOQ has also invested in and implemented a new fraud platform this year, which will assist in managing the ongoing threats posed to the bank and its customers. Both the AML and fraud platforms deliver improved technical and data capability to enable the prevention and detection of financial crimes.