

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

Combating the Financing of People Smuggling and Other Measures Bill 2010

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Senator Barnett asked the following question at the hearing on 16 March 2011:

So you are going to have a bill that is operational, with AUSTRAC powers in place, for several months prior to arrangements being put in place via the MOUs with the five new agencies in the expansion since the exposure draft. Are you happy with that process or would you like to see it improved so that the MOUs are in place at the same time as the bill being introduced?

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

Under section 126 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*, AUSTRAC is required to have in place instruments of authorisation before providing access to AUSTRAC information to officials of designated agencies. This instrument of authorisation is an important safeguard for the protection of AUSTRAC information.

The Department understands that AUSTRAC's existing practice is to have MOUs in place with designated agencies which support and complement the instruments of authorisation required under section 126 before providing access to officials of those agencies. AUSTRAC has advised the Committee that it will negotiate MOUs with the proposed designated agencies following passage of the Bill.

The Department supports this approach to satisfy the requirements in section 126.