

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE
AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE

Question No. 128

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

- a) How much of the funding provided for high-risk cash dealer strategy has been expended?
- b) Has all funding been expended?
 - (i) If not, how much funding has yet to be expended?
- c) Was there any variation to the stated budget for this program?
 - (i) If so, what was the variation?
 - (ii) Was additional funding provided, or did the program lose funding?
 - (iii) If the program lost funding, where was the funding transferred, and why?
 - (iv) Were any stop-gap measures put in place to ensure the continued operation of this program despite the variations?
- d) What was the stated outcome of the program at the time the funding commenced?
 - (i) Did the program meet its stated outcome?
 - (ii) If not, in which areas did it not meet its stated outcome?
 - (iii) Were any other measures or additional funding required to meet the stated outcome of the program?
- e) Has a review been conducted of the program?
 - (i) If so, could you provide a copy?
 - (ii) If not, why not?
 - (iii) Is one being conducted, or will one be conducted?
 - (iv) Are there any interim reports available?
 - (v) Are there any plans to produce any interim reports?

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

- a) All the specific funding provided for this program was fully expended in each financial year. This program is continuing as part of AUSTRAC's on-going work and is now fully funded through appropriation.
- b) All the specific funding provided for this program was fully expended in each financial year.
 - (i) Not Applicable.
- c) There was no variation to the stated budget for this program.
 - (i) Not Applicable.
 - (ii) Not Applicable.

(iii) Not Applicable.

(iv) Not Applicable.

- d) The 'high risk cash dealer strategy' was implemented in the financial year 99/00 with the aim to capture, enhance, analyse and provide better channels for the dissemination of financial intelligence about high-risk groups such as remittance dealers, bullion sellers and money exchangers.

(i) Yes - the reporting volumes received from the high-risk dealers have increased significantly. AUSTRAC continues to identify new entities and induct these into the regulated community of reporting cash dealers.

(ii) Not Applicable.

(iii) Not Applicable.

- e) As this programme is now part of AUSTRAC's underlying regulatory work, AUSTRAC reviews the outcomes of its regulatory work as part of its normal internal business reporting process. AUSTRAC has also provided input to the Attorney-General's Department as part of an overview of the implementation of the National Illicit Drugs Strategy (NIDS), conducted by the Cabinet Implementation Unit (CIU) within the Department of the Prime Minister and Cabinet in 2004. The CIU review included in its scope NIDS programmes delivered by AUSTRAC (including the 'high-risk cash dealer strategy'). The CIU summarised the AUSTRAC input in an attachment to its report, but did not comment on it. The CIU review was not a programme evaluation of individual NIDS initiatives.

(i) Not applicable.

(ii) Not applicable.

(iii) As this programme is now part of AUSTRAC's underlying regulatory work, AUSTRAC reviews the outcomes of its regulatory work as part of its normal internal business reporting process. The CIU review noted that the 'high-risk cash dealer strategy' would be part of a portfolio wide budget review prior to October 2007.

(iv) No.

(v) No.