

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE  
ATTORNEY-GENERAL'S DEPARTMENT

**Question No. 49**

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

- (a) How long are non-financial institutions (specifically, securities and insurance entities, foreign exchange dealers and money remitters) currently required to keep transaction records for after the transaction takes place?
- (b) Will the proposed changes alter the record keeping requirements for non-financial institutions?
- (c) Are there any other interim measures in place to ensure record keeping by the non-financial institution cash dealers?
- (d) Will this be addressed in the next round of legislation that is due to be released?
- (e) Will it be addressed in the first tranche or the second tranche?

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

- (a) Currently there is no obligation under the *Financial Transaction Reports Act 1988* (FTR Act) for securities and insurance entities, foreign exchange dealers or money remitters to keep transaction records after a transaction takes place.
- (b) Yes. Under the exposure Anti-Money Laundering and Counter-Terrorist Financing Bill a range of businesses that are not generally considered 'financial institutions' will be required to retain transaction records. The Government will consult with industry during the consultation on exposure Bill about the appropriate period of time for which businesses will be required to retain records.
- (c) No. As AUSTRAC has access to extensive transaction data as a result of receiving a range of transaction reports from these cash dealers (including reports of cash transactions of \$10,000 or more, reports of all international funds transfer instructions and suspicious transaction reports), no interim measures are felt necessary.
- (d) Yes.
- (e) The first tranche.