

SECOND READING SPEECH

Financial Transaction Reports Amendment Bill 2013

Mr Speaker, the *Financial Transaction Reports Act 1993* was enacted by this Parliament as part of a national initiative to complement the Commonwealth *Financial Transaction Reports Act 1988*, legislation which imposed reporting obligations on entities defined as “cash dealers”.

The definition of a “cash dealer” is provided in the Commonwealth Act and includes a long list of entities such as financial institutions, an insurer or insurance intermediary, a person who is a bullion seller, a person who carries on business dealing in currency transactions including electronic currency transfers into or out of Australia, a person who carries on a business as of operating a gambling house or casino, amongst others.

While the Commonwealth Act provided that information collected from banks and other cash dealers regarding possible offences against State law could be given to State police, the Commonwealth Act did not enable State police to themselves obtain information from those entities as the Commonwealth law did not confer powers on State police.

Before the State *Financial Transaction Reports Act* was enacted, cash dealers refused to provide further information to State police so, in the interests of effective law enforcement and in order to enable State police to take full advantage of the potential of the Commonwealth Act to acquire information concerning fraudulent and suspicious transactions, the then Standing Committee of Attorneys-General determined to introduce uniform legislation to require cash dealers to provide information to State police where it might be relevant to the investigation, or prosecution, of a person for an offence against a State law or to assist in the enforcement of the *Crime (Confiscation of Profits) Act 1993*.

It was also agreed at that time to legislate to require cash dealers to report “suspect transactions” which might be relevant to the investigation, or prosecution, of a person for an offence against the law of the State or to assist in the enforcement of the *Crime (Confiscation of Profits) Act 1993*.

Under the 1993 Act, because cash dealers were required to provide further information directly to the State police, they were given protection against legal action in relation to providing that information.

The 1993 Act made information collected for some Commonwealth purposes available to State authorities to facilitate the administration of State laws relating to suspect financial transactions.

The purpose of the *Financial Transactions Reports Amendment Bill 2012* is to amend the *Financial Transaction Report Act 1993* to take into account the commencement of Commonwealth legislation, the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* which assists in the enforcement of the Tasmanian *Crime (Confiscation of Profits) Act 1993*.

Currently, the Tasmanian *Financial Transaction Reports Act 1993* only refers to information provided to Commonwealth authorities under the *Financial Transaction Reports Act 1988*.

However, since the commencement of the Commonwealth *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* many of the previous reporting requirements are now required to be made under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

It is proposed that the *Financial Transaction Reports Act 1993* (Tas) be amended to take account of the enactment of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth). Some States and Territories have already made such amendments while others have advised the Commonwealth that they intend to do so in the next 6 to 12 months.

Since these amendments are needed, it is considered opportune to bring the 1993 provisions in line with the equivalent amended Acts in other jurisdictions. This will be in keeping with the original intention of enacting uniform legislation.

It is considered appropriate that this amendment be made now in conjunction with the proposed amendment of the *Crime (Confiscation of Profits) Act 1993* as both of the Principal Acts were enacted in 1993 as a package of State legislation aimed at attacking money laundering and the proceeds of criminal activities.

Mr Speaker, I commend the Bill to the House.