



OFFICE OF THE CHIEF EXECUTIVE OFFICER

Ref: 776067

22 August 2013

Dr Warren Mundy
Presiding Commissioner
Regulator Engagement with Small Business
Productivity Commission
PO Box 1428
Canberra City ACT 2601

Attention: Ms Rosalyn Bell

Dear Dr Mundy

Regulator Engagement with Small Business – Release of Draft Report

Attached for your consideration is a submission in response to the Productivity Commission's draft report *Regulator Engagement with Small Business* which was released on 3 July 2013.

You will note from AUSTRAC's earlier submission of 23 May 2013 that approximately 70 per cent of businesses regulated by AUSTRAC under the *Anti-Money Laundering and Terrorism Financing Act 2006* are categorised as small businesses (that is, they have less than 20 employees).

In striving to mitigate money laundering and terrorism financing risks faced by Australia, the AML/CTF Act adopts a risk-based regulatory approach. This risk-based approach is complemented by AUSTRAC's focus on ensuring effective stakeholder engagement with an emphasis on collaboration with, and guidance for, its regulated business population, particularly small business.

Should you have any questions regarding AUSTRAC's submissions to the Productivity Commission, please contact Mr Richard Bunting (Acting Director Domestic Policy) on telephone (03) 8636 0587.

Yours sincerely

John L Schmidt
CHIEF EXECUTIVE OFFICER