

John L Schmidt, CEO
AUSTRAC
P.O. Box 13173
Law Courts PO
Melbourne VIC. 8010

November 15th, 2010

Re: Cost Recover for AUSTRAC's Regulatory Functions

Dear Mr. Schmidt,

Cost recovery by charging the reporting entities.....? You must be kidding!

It is very obvious that reporting entity are not utilizing any service that AUSTRAC offers, quite the opposite in fact, these entities are slaves to AUSTRAC's demands.

We, as a reporting entity, are forced already to devote our time and efforts to the nonproductive work or reporting to AUSTRAC and surely should not have to pay for this non-pleasure.

Please understand well, that as a small business we do not need additional government fees, charges and taxes levied against us. I would appreciate your consideration and I look forward to your reply explaining how it was ever considered that those that are doing your work and gathering your data should be paying your costs. Please do not send a generic reply quoting the *Introduction* of the Discussion Paper, I have read that already. Also I wish to hear your opinion of my suggestions attached to this letter. Thank you.

Yours faithfully,

Alan Richmond.

Attached: My Suggested Options

emailed 17 Nov '10

My Suggested Options

- a) *Self-regulating performance-based funding.* AUSTRAC be funded by proceeds of crime that is successfully intercepted by its actions. If money laundering and/or terrorism funding exists in Australia and if AUSTRAC exposes these activities then it would be well funded. If AUSTRAC is ineffective or if these crimes don't exist in Australia then AUSTRAC is not deserving of funding and would receive none. Thus, AUSTRAC's funding becomes directly proportional to its task and its effectiveness. Wow, simplicity and common-sense could possibly be introduced to a government body.

- b) *Nation benefits, nation pays.* If AUSTRAC is seriously fighting crime, terrorism, money laundering etc. then that is in the nation's interest and hence should be paid for by the nation.