Submission Re:
Exposure draft legislation for an economy-wide cash payment limit of $10,000

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To Whom It May Concern at the Treasury Department:

I write as a health professional and as an ABN holder. I write to register my opposition to the Bill termed under the exposure draft as**: A Bill for an Act to restrict the use of cash in transactions, and for related purposes.**

I write in response to the draft proposal of imposing a $10,000 limit on cash transactions by the government. The reasons stated by the government for this imposition is to harden the environment on black market transactions within the economy preventing crime as well as tightening tax leakages.

Concerns:

1. **Insufficient Consultation Time Allotted:**
   The government has stated that in an effort to be transparent, it has released this document for stakeholder consultation to the public. However, the document was released at 5:12pm on July 26, 2019 at the end of the day and end of the week, suggesting that transparency, open discussion, media dissemination and stakeholder consultation would be curtailed, and the document pushed through Parliament with little attention. Further, an insufficient timeline of two weeks for the submission deadline closing today, August 12, 2019, was given.
   It is clear that the government wishes to maintain the appearance of consultation with the letter of the law rather than the spirit of the law.

2. **Missing Bill Portions**
   On page 9 of the document, Part 2, Division 2, clearly says in brackets, "[To be inserted]. This consultation process falls short of disclosure and the Australian public cannot make a consenting decision based on this subheading listed under "Offences."

   It seems clear that the intention is to pass this Bill through Parliament and insert portions later.

3. **Poorly Worded Document**
   Part 2, Division 1, section 2(d) discusses a series of payments that equals or exceeds the cash payment limit of $10,000.
   No time frame is given. This leaves a vague determination on what constitutes a series of payments over a specific time frame.

4. **A Foot in the Door**
   In Part 1, Section 6, under Definitions (a), an entity is defined as an individual.

   Part 2, Section 10, and in the following subsections, it defines transactions between 'entities'. Also under Section 10, under Subsection 5 it appears to let the Minister make exceptions by legislative instrument.

Currently, individuals (non-corporate entities/non-businesses) are allowed to transact in greater than $10,000 limits.

While the Act is passable only by Parliamentary vote, the amendment to exceptions can later be made by whichever Minister is in power. This can then be changed to individuals that are non-corporate in nature (i.e. non-business entities). This becomes an easy foot-in-the-door as a soft-ball pitch to the public which can easily be changed down the track and tightened at a Minister's discretion. This needs to be strictly opposed as the potential is there for the eventual restriction and elimination of cash in society by non-corporate entities, ie. individuals.

5. **Negative Interest Rates and Bail-Ins**
It has become quite clear in the major newspapers of late that RBA Governor, Dr Rob Lowe, is discussing radical implementation of various instruments to stave off potential recession. A working paper by the IMF titled, "Breaking Through the Zero Lower Bound" by Agarwal and Kimball, 2015, discusses cash as a barrier to introducing negative interest rates. In the paper it is stated that a division between electronic and paper currency must be made and that paper must become unpalatable to hold, with a potential solution as a decreasing valuation of paper currency through an imposed interest rate. Electronic currency, however, would not be held to the same interest rate. The paper discusses how this system could be implemented within weeks if need be.

It is clear that the government and the RBA are manoeuvring to limit and eventually abolish cash, following the same road as their European counterparts. Cite money laundering, tax evasion and whatever else as plausible reasons, the fact is that this is the beginning of a series of steps to eventually force people to place their cash in banks for the sake of transparency. This will subject people to savings fund confiscation through the enactment of bail-in policy recently enacted by the Australian government in order to recapitalize the banks.

The government needs to come out with its true intentions and not mislead the public for the enactment of these policies. This comes on the heels of last weeks news that accounting firms are colluding with the banks in illegal transactions and this is being overlooked, while the common man and small business are being treated as suspect criminals for conducting cash transactions.

Conclusion:
It is clear that this poorly worded document was not meant to facilitate consultation given the short time-frame with which the public has had to debate and scrutinize the implications of such a Bill. This submission would have been more specific and accurate with references had there been more time, and as such, I only accidentally discovered it last week. I register my opposition to this Bill based on the reasons cited above.

Respectfully,

David Korchok