

Draft Currency Restriction Bill

12 August 2019

Black Economy Division, Treasury Langton Crescent PARKES ACT 2600

To Whom it may concern,

I am writing to express my strong opposition and disgust in the proposed draft:

- Currency (Restrictions on the Use of Cash) Bill 2019;
- Currency (Restrictions on the Use of Cash – Expected Transactions) Instrument 2019; and
- Currency (Restrictions on the Use of Cash) (Consequential Amendments and Transitional Provisions) Bill 2019.

The proposed draft bill (and associated Regulation) are in my opinion, a clear assault on a citizen's economic freedom in Australia and I believe a major restriction to Australian civil rights. These proposed laws would clearly punish individual Australians in regard to how they wish to spend their hard earned **private** wealth, including:

- How they wish to spend their money independent of commercial banking system in Australia,
- How they are NOT willing to be told who they MUST conduct their transactions through, and
- How they have every right to conduct their economic affairs in private.

Given that transacting in cash (regardless of the form of the currency) is a suitable, stable and **private** alternative to utilising the digital banking sector the proposed laws do not allow for competition through other business models or forms of currency making this completely unfair, unjust, inappropriate, unlawful and bias toward the commercial banks in Australia.

I find this to be highly inappropriate for the Commonwealth of Australia Pty Ltd to be attempting to implement laws which would force all citizens to utilise a certain good or service offered by an industry which, the recent Royal Commission into Australia's Banking providers, has an extremely poor record in servicing the public's interests.

In regard to the so-called black economy, neither the Commonwealth nor the Black Economy Taskforce have not provided adequate evidence that the proposed laws would have any measurable impact on the black economy from any perspective.

I, as a citizen of Australia am concerned that the new proposed laws would restrict the capabilities of all Australians to escape negative interest rates if such a system were to be imposed upon the people of Australia by an entity such as the Reserve Bank of Australia.

There have been a series of international calls in recent years from economists as well as parts of the worldwide banking industry for cash to either be considerably decreased or even

eliminated all together due to the fact that the use of cash outside of the government's control undermines the policy of negative interest rates.

The International Monetary Fund (IMF) have put their case forward that the abolition of cash from any economy would boost the efficiency of negative interest rates. This is sighted in the IMF Working Paper, April 2019: Enabling Deep Negative Rates to Fight Recessions: A Guide, (Ruchir Agarwal and Miles S. Kimball)

I am concerned that the proposed laws are only the first step in a series of ever-increasing actions from the Commonwealth to disregard the rights of Australians to engage in financial transactions independent of the banking sector. It also concerns me that the exemptions to the cash transaction ban are vaguely outlined in the legislative instrument and not in the proposed bill, this gives assistant treasurer the ability to remove any or all exemptions without the detailed analysis of Parliament.

Why is Division 2 of Part 2 (it states: To be inserted) missing from the draft exposure version of the bill?

How is an incomplete document appropriate to release by the Commonwealth for public consultation? What is there to hide?

Also, can the Commonwealth provide some clarity in regard to:

- Which Commonwealth department / business unit will be given the power to enforce this law?
- What execution systems will the Commonwealth use to examine and enforce prohibited cash transactions above \$10,000?

In conclusion, the proposed draft bill is grossly inappropriate given that they are a disgusting abuse of Australian economic and public rights. The Commonwealth and the Black Economy Taskforce have clearly failed to verify any robust evidence that the proposed cash transaction ban will have any significant influence on the so called black economy. The proposed bill would make it impossible for Australians to escape the financial hardship that an official policy of negative interest rates would carry (particularly if the proposed exceptions were changed / lowered) without scrutiny of Parliament. I believe that I, as an Australian citizen legitimate concerns with the proposed bill and associated legislative tool that need to be resolved before the proposed bill is introduced into Parliament by the Government for any form of approval process.

Yours in disgust,

J Karaka