

Dear Treasury,

Please find below my submissions on the proposed Bill.

Submission re the Currency (Restriction on the Use of Cash) Bill 2019

1. I oppose the introduction of this Bill as it **does not achieve it's stated objective**, it removes a fundamental right of a citizen's to use their cash as they please and it forces Australian people to place their money into the banking system which has been shown by the recent Royal Commission to be anything but safe, secure and trustworthy and has the ability to use their money to Bail In.
2. This proposed legislation plans to remove the financial freedom of honest Australian Citizens in order to reduce illicit transactions of a few. The right of every Australian to use their own cash as they see fit is proposed to be removed. This is also the first step to the total removal of cash and citizen's rights.
3. The Object of the Act "is to **prevent the use of cash in economic activities** in order to avoid the scrutiny of regulatory authorities". Currently there is a limit of \$10,000 but if a Government of the day has control of the parliament and wants to change that limit it can easily remove that limit so it can remove cash and view every transaction. This Act is the **precedent to totally remove cash**.
4. Also, the recent 'Bail-In' legislation – Financial Sector Legislation Amendment - passed into law on 14th February 2018 now allows Banks to withdraw funds from cash deposits (ie unsecured creditors) of Australian Citizen's when they deem it necessary to pay for the Banks bad performance rather than allowing natural market forces to operate. This removed the onus on the Government to 'Bail OUT' as now the Banks can Bail IN and use Deposit Holder's money. As a result of the Bail In legislation there is now no need for the Government to guarantee deposits held by the Banks.
5. This new proposed legislation now takes away Australian citizens freedom of choice and forces them to hold their money in the banks. This ensures that Banks have the resources to survive because it can call on the Australian Citizens money to help them through bad investment decisions. I know of no other business that has this Government assisted benefit.
6. This is not the basis of a free society where citizens are forced by legislation to hold their money in institutions that can then take it from them due to poor performance. By restricting cash transactions to \$10,000 and transactions over this amount to be digitally executed is an attack on a person freedom of choice and civil rights.
7. The Bill fails to achieve the stated objective in Section 3. (that of dealing with tax avoidance in the black market) because two private parties will still be able to make several payments under the stated limit or one large payment over the limit and not be detectable because both parties would be culpable and agree to conceal the

transaction. The Legislation fails to address this likely scenario so it fails in its overall objective to fight the “black” economy.

8. Cash is a citizen’s right and money that they have already paid tax on and is their exclusive property to do with as they please. By taking away people’s freedom in how they spend their money the Government is creating for the first time an Australian Totalitarian regime. If a citizen doesn’t share the Government’s trust in banks Is a large withdrawal from a bank seen as a transaction under this proposed Bill?
9. **With the current official interest rate of 1% what will happen when the rate goes into a negative rate? The economists are now discussing what will happen when the official rates are minus 3% or minus 4%. The Bank’s will then be charging deposit holders to hold their funds. With the Bail In Bill already passed and the current proposed bill restricting the use of cash the Australian citizen rights are being removed and their obligation to prop up the banks are being firmly entrenched.**
10. It is well known that the laundering of cash is done through Casino’s, Betting Sites and Property Development. These are the areas that the Government should be targeting. How is it that the Government is willing to take “cash rights” away from all it’s citizens but does nothing to prevent the laundering of “cash” through these and other well known cash laundering operations?
11. If this is the real motivation of the Government it should be aware that cash in a democracy gives freedom and privacy while a cashless society is tyranny and scrutiny where no one has personal privacy.
12. Cash is essential in a democratic free society and provides for the easy transaction of goods and services.
13. A flow on result of this Bill will mean that the Government can view all it’s citizens’ transactions which removes their privacy and freedom. The press have reported on the massive over reach by Government Departments on meta data use and as a citizen I am concerned with this abuse of power that will only be extended in the event of this legislation passing.
14. I also object to the **guilty until proven innocent** which places the burden of proof on the Defendant to establish their innocence (Ref: 1.48 of Summary). Again, this is a complete reversal of the natural justice system in Australia where innocence is presumed until the prosecutor proves otherwise. This clause in itself should surely be contrary to existing legislation and the essence of the Australian culture – a FAIR GO
15. Re: 1.65 The inclusion of holding committee members on **bodies corporate** responsible until proven innocent will have two effects:

- (a) it will further discourage owners from being on the body corporate due to being personally liable with the prospect of possible financial fines, gaol and having to incur legal expenses to defend their innocence. It is already becoming increasingly difficult to enlist committee members who don't want the legislative responsibilities. This legislation will make it virtually impossible to enlist members on a committee that would result in many negative ramifications including gaol.
 - (b) will raise insurance costs for office bearers to cover such an event.
16. Re 1.69 the added cost to Australian business will be massive. Businesses are already over burdened by red tape and are collecting taxation on behalf of the Government for which it is not paid. An added burden is yet another straw that will help break the camel's (economic) back. In this economic environment the Government should be doing everything in its power to relieve the burden on businesses not increase it.
17. No CPI allowance has been included so the amount of \$10,000 will be deteriorated over time through inflation which may be the Government's intention but gives no comfort to the citizen.
18. There seems to be an assumption that everyone has their money in the bank which is not necessarily the case and the Australian people should not now be forced to do this. **The banks don't run Australia.**

In Summary

19. The Bill is a defective piece of legislation that fails to meet its objective while imposing onerous fines and even gaol sentences on citizens whilst limiting Australian citizen's freedom of choice. It will be a huge burden to both the citizens and businesses and take away the fundamental right they have enjoyed in a free democratic society including the presumption of innocence. It will force citizens to have their money in the banking sector where banks can use this to bail in when it so deems necessary. It will turn Australia **from a free democratic society to a Totalitarian one.**

Yours Faithfully

Ray Crowe
Mob 0438189811