

8 August 2019

Manager Black Economy Division
The Treasury
Langton Crescent
PARKES ACT 2600

Dear Manager,

Re: *Currency (Restrictions on the Use of Cash) Bill 2019*

I strongly oppose the 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 bill (and associated instrument) are an atrocious attack on the economic and civil rights of every Australian with a bank account, including children.

The proposed laws would force Australians into dealing with monopoly institutions (banks) with no other options to transact outside of that system or in privacy.

Given the record of performance of the banks exposed by the royal commission, this is a gross abuse of our democracy.

The purported “Black Economy”

Please do not insult our intelligence by dressing this up as a solution to the so-called black economy. The Commonwealth and the Black Economy Taskforce, have failed to provide sufficient evidence that the proposed laws would have any material impact on the black economy whether from the tax leakage or illicit activities perspective.

There are numerous studies that show that countries such as Sweden, still have sizeable shadow economies even though cash payments have become rare.

Ordinary Australians and “Tradies” are not the problem. How about you seriously investigate the billions that are washed through corporations, banks and casinos.

Negative Nominal Interest Rates

The IMF has argued-

- that during an economic recession, interest rates need to be lowered between 3% - 6% in order to stabilise the economy and to allow economic growth to recover.
- Given that official interest rates are already very low around the world, deep negative interest rates of approximately -4% may be required if a global economic recession or global economic shock were to eventuate.

Given the current precarious global economic situation and that the RBA's official cash rate currently sits at 1%, there is an increasing likelihood that the RBA maybe motivated to implement negative nominal official interest rates if the Australian economy were to fall into recession or if a global shock were to eventuate.

From an economic freedom and wealth preservation perspective, I am concerned that the proposed laws would curtail the abilities of Australians to escape negative nominal interest rates if such a regime were to be imposed by the Reserve Bank of Australia (RBA).

With the added calls for the role of cash to either be significantly reduced or eliminated, my fundamental economic and civil right to protect my private wealth independent of the commercial banking sector is stripped from me by the imposition of negative nominal interest rates.

This is totally unacceptable.

As a concerned subject of the Commonwealth of Australia, it is my will that this Bill be dismissed.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'W. Lerchner', with a long horizontal flourish extending to the right.

Wolfgang Lerchner

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Castle Hill NSW 2154