5 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 am writing to express my strong opposition to 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.*

I am a concerned private citizen who opposes these measures, and do not represent any organisation and its interests other than my own.

I believe that the proposed bill goes too far with the removal of civil liberties for no gain in capturing taxes and eliminating money laundering. Australia’s laws regarding the lack of regulatory oversight to money laundering have been well documented by the Financial Action Taskforce and Australia’s leaders have had over a decade to put in reform specifically to target money laundering in the real estate sector. The following points address why I am strongly opposed to this legislation:

* It is highly concerning that the drafting of the bill is incomplete, which render your review process flawed. There is has also been minimal time provided for public discourse which erodes confidence in the intention of these laws. There has been no mention on how this law will be monitored and enforced, which to my mind, make this entire review process worthless.
* There is no evidence to suggest that limiting cash transactions over $10,000 will achieve the desired outcomes. There has been no publicised cost benefit analysis, so how can the public decide based on no empirical evidence? The only evidence I could find on the subject was from research fellow Friedrich Schneider from the University of Linz who is a leading international expert on the black economy. Schneider has published a paper in 2017 titled “Restricting or Abolishing cash and effective instrument in fighting the shadow economy crime and terrorism. His findings state that there is a lack of empirical evidence to suggest that cash transaction bans have an affect on the black economy.
* There are bigger areas of tax avoidance which aren’t being mentioned. According to the OECD report Implementing the OEC Anti Bribery Convention, real estate is identified as a significant risk for money laundering. To date these loop holes, remain open and I feel that time and effort is better spent in closing these loop holes as opposed to putting in a cash ban. This will achieve the desired outcome without the erosion of civil liberties for all Australians. In addition, it is well documented that the large corporates have mastered the art of tax avoidance with the help of the big four accounting firms. Treasury would be well advised to pursue these large multinational companies before attacking the civil liberties of Australian citizens.

These are my main arguments as to why I do not support this bill and my alternative is to create legislation that forces lawyers, real-estate agents to report on suspicious property transactions as highlighted by the numerous reports on these loop holes that exist within Australia and to create legislation that captures the multinational organisations and the big four accounting firms which aid them in avoiding paying their fair share of tax in Australia.

Regards,

Ahmed Ahmetagic