

I would like to register my general opposition to the Currency (Restrictions on the Use of Cash) Bill 2019 as an Australian citizen.

This bill fundamentally requires that any significant transaction is carried out through a third party. I am concerned that this concentrates power into the banking sector and is a subtle but genuine reduction of personal liberty for Australians arranging their financial affairs. Given that these cash transactions are being banned on the premise that they are being used criminally it makes far more sense to simply charge the transactors for the crimes being committed.

Although it is reasonable to expect that most transactions of significance will be done via a third party there is far too much focus on tax evasion without consideration of broader issues of principle and incentives. We should aim to preserve the ability of any two entities to carry out any legal transaction by mutual action; without a requirement that other actors be involved. This is an important safety valve of the market economy to align incentives and prevent the banking system accumulating undue power. This legislation weakens that mechanism and gives powerful institutions in the financial system a power and potentially an incentive to influence what high-value transactions might take place.

It is also not appropriate for the government to anticipate scrutinising every significant transaction an individual has been involved in. The government is not all-knowing and all-wise, it misinterprets evidence and makes mistakes. If it requires that a record such as this be created despite an individual's reasonable expectation of privacy, there should be at least some suspicion that criminal activity is afoot beyond observing that it is a bit weird to use cash for a large purchase.

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