**From:** Heather Knyn <hknyn@avigate.com.au>   
**Sent:** Wednesday, 31 July 2019 8:11 PM  
**To:** RG - Black Economy <Blackeconomy@treasury.gov.au>  
**Subject:** Submission from H Knyn

**31th July 2019**

To the Honourable Member,

**RE:**      **Currency (Restrictions on the Use of Cash) (Consequential Amendments and Transitional Provisions) Bill2019No. , 2019 – Exposure Draft**

I a writing to ask you to vote down the proposed legislation as outlined in the heading above.  I do not believe that this legislation is based on the black economy, however, I am not denying that this is a considerable problem, I do however believe that this is a tool that will be utilized by the financial sector in the future to control Australian citizens monies.

Having read the IMF recent soundings, as outlined below (link attached for your perusal), I believe that the RBA is following the strategies outlined by the IMF and that our parliamentarians are following this blindly.

As a general member of the public, I find the above legislation to deplete our countries democracy and yet again bow to the strategies of the financial world when we should be standing up to them.  This legislation I view as a tax on our incomes, with the high prospect of negative interest rates where financial institutions cannot currently or in the near future fund the last decade of their gambling habits, this legislation gives them our money for nothing as they know they cannot ask the government for a bail-out.  (Tongue in cheek – current ‘Bail-in’ legislation that allows our savings to be taken by financial institutions) – now this as well!!!

All the platitudes of simpleness and graphs showing us e-transactions is just a coverup for their long term plans and our political class seem to be in the dark following blindly.

It is also interesting if you look at the legislation with the current suggestion of a $10,000 cap as legislation, but then under 1.46 (outlined below) stating flexibility in the regime that this could be lowered because of SERIOUS NATURE OFFEENCES.  This change of the cap would be regulation not legislation – again another loss of democracy.

**Currency (Restrictions on the Use of Cash) (Consequential Amendments and Transitional Provisions) Bill2019No. , 2019 – Exposure Draft**

Part 1.46         Allowing kinds of transactions to be made exempt from the cash payment limit by legislative instrument ensures that there is flexibility in the regulatory regime to accommodate new kinds of transactions. Given the serious nature of the proposed offences, it is important to ensure that swift changes can be made to accommodate new kinds of transactions in which the use of cash is necessary or appropriate.

In closing I would like to recommend that the bill is voted down by yourself and other means be considered to void the black economy but certainly not by taking away our right as a citizen of this country to spend our money (legal tender) as we see fit without the threat of fine or imprisonment.

Sincerely



Heather Knyn

15 Teesdale Street, Corinda Q 4075

Email: [heatherknyn@gmail.com](mailto:heatherknyn@gmail.com)

Attachment. 1

**International Monetary Fund excerpt – February 5 2019**

Link: <https://blogs.imf.org/2019/02/05/cashing-in-how-to-make-negative-interest-rates-work/>

IMF Quote:

The proposal is for a central bank to divide the monetary base into two separate local currencies—cash and electronic money (e-money). E-money would be issued only electronically and would pay the policy rate of interest, and cash would have an exchange rate—the conversion rate—against e-money. This conversion rate is key to the proposal. When setting a negative interest rate on e-money, the central bank would let the conversion rate of cash in terms of e-money depreciate at the same rate as the negative interest rate on e-money. The value of cash would thereby fall in terms of e-money.

To illustrate, suppose your bank announced a negative 3 percent interest rate on your bank deposit of 100 dollars today. Suppose also that the central bank announced that cash-dollars would now become a separate currency that would depreciate against e-dollars by 3 percent per year. The conversion rate of cash-dollars into e-dollars would hence change from 1 to 0.97 over the year. After a year, there would be 97 e-dollars left in your bank account. If you instead took out 100 cash-dollars today and kept it safe at home for a year, exchanging it into e-money after that year would also yield 97 e-dollars.

At the same time, shops would start advertising prices in e-money and cash separately, just as shops in some small open economies already advertise prices both in domestic and in bordering foreign currencies. Cash would thereby be losing value both in terms of goods and in terms of e-money, and there would be no benefit to holding cash relative to bank deposits.

This dual local currency system would allow the central bank to implement as negative an interest rate as necessary for countering a recession, without triggering any large-scale substitutions into cash.