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Subject: Submission: Exposure Draft-Currency (restrictions on the use of cash) Bill 2019

As a concerned citizen, I make the following submission in relation to the Exposure Draft-currency (restrictions on the use of cash) Bill 2019.

**1.** I am concerned that such an important and potentially far-reaching Exposure Draft was released late on a Friday night with no prior discussion or notification, and only two weeks for public submissions. This Bill could have huge implications for our social and financial order and should not be rushed. Only two weeks for submissions is totally inadequate.

**2. The True Intention?** The legislation is purported to be about the reduction and control of fraudulent activity and money laundering by restricting cash transactions to a maximum of ten thousand dollars. Successive governments have had ample opportunity to constrain these activities in the past, but have been reluctant to do so. This begs the question, why is it so imperative now, and what other purposes might this Bill be used for? Legislation has already been passed (by only a few members of the Senate) to allow for the Bail-in of bank deposits in the event of a shock to the financial system. If this were to be instigated, the tight control, or even elimination of cash transactions would be a pre-requisite. I believe these two pieces of legislation are linked, and form part of the structure needed to protect the Banks, should that become necessary in the future.

**3. The Exemptions:** These are not enshrined in the proposed legislation, but are contained in the attached **Regulations**. This provides any Government of the day with the ability to make significant changes without reference to Parliament, or without any further debate.

**A.** The proposed limit of ten thousand dollars can easily be reduced (incrementally or otherwise) to much lower levels, or even as low as zero. The possibility of taking Australia to a cashless economy and doing away with legal tender altogether is inherent in the Draft Bill, and could be achieved at the whim of Government without further debate

**B.** Our major banks are highly exposed to the risks associated with another global financial shock. With interest rates currently at record low levels, the prospect of negative interest rates is a real possibility. Several other countries have already entered this unknown realm. In order to achieve both negative interest rates and the Bail-in of customers deposits, it will be necessary to eliminate cash transactions in order to protect the banks from a run on cash. This bill provides part of the legal framework required in order to achieve this goal.

**4. Section 2:** According to the Draft Bill, there is a section 2 yet “to be inserted”. There is no indication of what this section 2 may contain. Therefore the Bill is incomplete. How can the public make submissions on an incomplete Bill? The submission process should be suspended until section 2 has been published and inserted into the Draft Bill. A new and extended time for submissions will then be required..