



# Australian Citizens Party

Craig Isherwood, National Secretary

PO Box 376, COBURG, VIC 3058

**Phone:** 1800 636 432 **Email:** [info@citizensparty.org.au](mailto:info@citizensparty.org.au) **Web:** [citizensparty.org.au](http://citizensparty.org.au)

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## MEDIA RELEASE

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### **Money laundering and de-banking scandals expose the real criminals—the banks and their government accomplices**

The Morrison government's bill to ban cash transactions over \$10,000 would send Australians to jail for spending their own cash. Cooked up by crooked accounting firm KPMG, the proposed law is touted as necessary to combat money laundering and tax evasion in the so-called "black economy". By criminalising lawful transactions in legal tender, all it would actually achieve—its real intention—is to lock people in banks, which are aggressively pushing for the economy to go cashless. Without cash all transactions would be electronic, enabling the banks to snoop on everything you do, and you wouldn't be able to withdraw your savings to escape bad banking policies such as negative interest rates and emergency "bail-ins" of bank deposits (watch a two-minute explanation "[Your deposits in the bank are not safe](#)"). You are also exposed to being "de-banked"—cut off if the banks refuse to give you an account and do business with you—which would make it impossible for you to transact and exist in the real economy.

The fact this bill would give such enormous power to the private banks proves it isn't about combating the black economy at all. If anything, it's about boosting the black economy, because the private banks *are* the black economy! They are the largest criminal enterprises in society, aided and abetted by the government, which in truth has zero moral authority on crimes like money laundering in which the government is also complicit.

#### **Money laundering**

Westpac this week settled with government agency AUSTRAC, which polices money laundering, for its millions of breaches of anti-money laundering laws revealed in 2019. While huge, the record Australian fine of \$1.3 billion is a fraction of what Westpac could have been charged under the law given the enormous number of breaches. The Westpac settlement coincided with [a leak of secret US Treasury documents](#) revealing US\$2 trillion in suspected dirty money is flowing through the global banking system, and that some of the biggest banks in the world, including JPMorgan, HSBC, Standard Chartered Bank, Deutsche Bank and Bank of New York Mellon, are profiting from laundering these funds. The leak includes information that almost \$250 million is going through Australian banks, but that's a gross understatement—as far back as 1997 the Australian Federal Police estimated \$7 billion of dirty money was propping up Australia's banks, which would be far higher now.

Despite this money laundering crime wave, however, the Australian government is actually pushing a law that would encourage money laundering, through the stock market! [As ABC reported on 22 September](#), AUSTRAC has completed the consultation phase on a proposed new rule that would drop the requirement that stockbrokers identify their clients before they trade for them. Instead, stockbrokers would be able to trade for mystery clients for up to five days before requiring ID. "Experts in the field are concerned the proposals could make it easier for criminals to launder money by buying and selling shares in traded companies—and then getting their money out", ABC reported. And this is not a rule change the industry has demanded. Judith Fox, chief executive of the Stockbrokers and Financial Advisers Association, told ABC she was "absolutely mystified" by the rule change.

Why would the government want a rule change that would only encourage money laundering? It has a track record in this area: despite repeated promises to international enforcement bodies, the Australian government has refused to require real estate agents and lawyers to comply with AUSTRAC's anti-money laundering disclosure requirements, knowing full well that enormous sums of dirty money are laundered through real estate transactions. The only conclusion is the government wants the dirty money to help prop up house prices; now we must assume that's the intention for the stock market also. Needless to say, its excuse that combatting money laundering requires a ban on cash is a complete fraud.

#### **De-banking power grab**

For real-life examples of why cash should never be banned so people are trapped in banks, look at the victims of de-banking—banks cutting off customers they don't wish to do business with. Currently, just as banks are using the pandemic to aggressively push ahead with their own plans to reduce cash use

—boasting they’ve achieved in a few months what they planned to achieve in five years—they are equally aggressively de-banking clients who provide any alternative to banking. The banks have de-banked, *en masse*, gold and silver bullion dealers, bitcoin and cryptocurrency traders, and Western Union-style cash remittance companies which transfer funds overseas. The banking oligopoly is working together to de-bank these businesses—effectively colluding like an illegal cartel.

This de-banking makes it extremely difficult for these businesses to operate, forcing them to trade in cash. But the banks aren’t satisfied with just de-banking these targeted businesses; they are also pressuring their suppliers not to do business with them. For instance, the director of one cash-in-transit business known to the Citizens Party which supplies cash to ATMs and overseas remittance companies has received correspondence from his bank demanding information on his customers, which are de-banked businesses, to pressure him not to do business with those customers. The banks pretend they are being proactive against potential money laundering risks, but all these de-banked businesses are in full compliance with AUSTRAC’s disclosure regime—the banks are going way beyond the requirements of the law for their own benefit, not for law enforcement. If the banks were truly concerned about money laundering risks, they would de-bank real estate agents; actually, they would de-bank each other, as banks are the biggest money launderers of all!

Due to the massive public backlash against the \$10,000 cash ban bill, which the Citizens Party helped to lead, the government has gone very quiet on it. While we continue to monitor that bill so the government doesn’t sneak it through, we must also fight to fundamentally clean up the criminal banking system so it again serves the people and the real economy, instead of gouging and plundering and money laundering for its own profit with the full complicity of the government.

Click here to sign the petition: [Hands off our bank deposits—stop ‘bail-in’!](#).