

Senate Select Committee on Australia
as a technology and financial centre

Issues Paper - Submission

Dear Senate Select Committee,

Blockchain is the backbone on which future technological advances will be based on. The tool humanity uses to solve problems associated with the technological advances made during the 1900's and the global connectivity developments of the first 2 decades of the new millennium. The remaining challenges for this decade and century include how identity is securely verified and validated, how that information is managed and the utilisation of these solutions is effectively and ethically deployed. Unexploitable non-invasive automated contact tracing and national stockpiles of digital assets are amongst the short term milestones to reach.

Australia as a technology and financial centre

Bitcoin, Ethereum and other cryptocurrencies should and likely will become relevant to any nation's Reserve Banking system. Using the scarce and finite digital asset capable of settling value transfers between countries and states without the need for any movement of a physical asset. Eventually allowing for interplanetary banking between populations and settlers based on the Moon, Mars and beyond.

Digital assets held by the Australian Government, its citizens and businesses will become imperative in defining monetary policy and credit ratings.

Australia is uniquely positioned to become an influential participant in the minting processes or 'mining' of bitcoin and blockchain based digital assets. Global efforts are underway to shift this activity away from fossil fuel generated power, into having the necessary computing hardware powered by renewable energy. Providing an opportunity to self-fund renewable energy infrastructure without interfering with existing fossil fuel businesses.

Debanking:

While on JobSeeker, from September 2020 I made attempts to open bank accounts for a company owner residing overseas (Ukraine) for a registered Digital Currency Exchange (DCE) they desired to begin operating in Australia.

Commonwealth Bank refused service to blockchain or cryptocurrency related business.

Bendigo Bank is still in the process of facilitating an international identity verification, since November 2020 before allowing the business bank accounts to be opened.

ANZ Bank business accounts process stalled on the inability to verify identity of the internationally based company owner.

Westpac Bank Process began to open business accounts in May 2021, anticipating similar delays and barriers in the identity verification process.

A business bank account is something that should take no more than a week or month to action and verify. Invitations to conduct video conference, during Australian business hours were made however the stagnation and delays experienced is evidence of debanking tactics.

The consequences have been that I remain unemployed and Australia, and the banking sector, have missed out on remote employment jobs and economic gains.

Instances of corporate law holding back investment

Blockchain and Cryptocurrency are tools and technology that can be utilised across any industry and all sectors of the Australian economy.

During my time at Fairfax Media (2005 - 2016), one of the reasons given for not integrating or resourcing blockchain and cryptocurrency related activity was that it strayed too far from the core function of a media company. The perception of blockchain and cryptocurrency being a siloed industry unto itself remains a barrier, possibly due to interpretations of the Corporations Act and other regulations in place prior to the invention of the bitcoin blockchain and subsequent development.

Any business in Australia is capable of participating in blockchain based mining processes, staking and node hosting as a way to supplement income and revenue.

All businesses in Australia can benefit from implementing blockchain technology into existing systems. Especially where immutable records and logs need to be kept and communicated to regulators or oversight authorities.

Solutions Short-List:

- Education and communication about blockchain amongst industry leaders is key.
- Replacing ineffective subsidies to industry with different forms of support and incentives that include blockchain and cryptocurrency based income, revenue generators and systems improvement.
- Regulation requiring immutable blockchain based data management for Anti-Money Laundering compliance and information required to be shared with regulators and authorities in real-time.
- Policy guiding the development of protocols in identity validation of all sentient life
- Borderless taxation policies and incentives for Australian and Global companies to integrate blockchain based solutions and participate in automated data sharing.