**From:** colin miller <colinrossmiller@hotmail.com>   
**Sent:** Thursday, 8 August 2019 11:38 AM  
**To:** RG - Black Economy <Blackeconomy@treasury.gov.au>  
**Subject:** Submission: Exposure Draft - Currency (Restrictions on the Use of Cash) Bill 2019

Manager

Black Economy Division

The Treasury

Langton Crescent

PARKES ACT 2600

Dear Manager,

**Re: Currency (Restrictions on the Use of Cash) Bill 2019**

I am writing to express my strong opposition to the draft:

· Currency (Restrictions on the Use of Cash) Bill 2019;

· Currency (Restrictions on the Use of Cash – Expected Transactions) Instrument 2019; and

· Currency (Restrictions on the Use of Cash) (Consequential Amendments and Transitional Provisions) Bill 2019.

An independent 2017 study by Friedrich Schneider, ‘Restricting or Abolishing Cash: An Effective Instrument for Fighting the Shadow Economy, Crime and Terrorism”[1] states that:

“Cash has a minor influence on the shadow economy, crime and terrorism, but potentially has a major influence on civil liberties.”

I am not alone in recognising this is a pretext for introducing this bill, when the underlying reason is to make the imposition of negative nominal interest rates viable in the interests of the Financial Establishment.

Imposition of Negative Nominal Interest Rates

The International Monetary Fund (IMF) have argued that the elimination of cash from an economy would enhance the effectiveness of negative nominal interest rates:

August 2018: Monetary Policy with Negative Interest Rates: Decoupling Cash from Electronic Money[2]

February 2019: Cashing In: How to Make Negative Interest Rates Work[3]; and

April 2019: Enabling Deep Negative Rates to Fight Recessions: A Guide[4]

the IMF have argued that during an economic recession, interest rates need to be lowered between 3% - 6% in order to stabilise the economy and to allow economic growth to recover; and

Given that official interest rates are already very low around the world, deep negative interest rates of approximately -4% may be required if a global economic recession or global economic shock were to eventuate and given that the RBA’s official cash rate currently sits at 1%, there is an increasing likelihood that the RBA may be motivated to implement negative nominal official interest rates going forward.

The Commonwealth and the Black Economy Taskforce have failed to establish robust empirical evidence that the proposed cash transaction ban will have any material impact on diminishing the so‑called black economy; the proposed bill and associated legislative instrument are wrong given that they are a gross abuse of Australian economic and civil rights.

I urge you and the leadership of Labor move to strike out this draft legislation and speak publicly of your disapproval of this government, this darft bill, and thereby disallow the imposition of this legislation with it's nefarious agenda to be another punitive instrument on the liberty, freedom and well-being of the Australian people.

Yours sincerely,

Colin Miller

[1] http://www.econ.jku.at/papers/2017/wp1708.pdf

[2] https://www.imf.org/en/Publications/WP/Issues/2018/08/27/Monetary-Policy-with-Negative-Interest-Rates-Decoupling-Cash-from-Electronic-Money-46076

[3] https://blogs.imf.org/2019/02/05/cashing-in-how-to-make-negative-interest-rates-work/

[4] https://www.imf.org/en/Publications/WP/Issues/2019/04/29/Enabling-Deep-Negative-Rates-A-Guide-46598