**From:** Brad Davren <brad@avcro.com.au>   
**Sent:** Thursday, 8 August 2019 4:55 PM  
**To:** RG - Black Economy <Blackeconomy@treasury.gov.au>  
**Cc:** john@adamseconomics.com  
**Subject:** Submission: Exposure Draft—Currency (Restrictions on the Use of Cash) Bill 2019

Good afternoon,

I am writing this email to record my contempt for the legislation currently under review regarding the Black Economy Taskforce.

As quoted on the treasury.gov.au webpage:

‘The Taskforce’s Final Report highlighted the harm that the black economy causes to honest businesses and the community, penalising honest taxpayers, undermining the integrity of Australia’s tax and welfare systems and creating an uneven playing field for the majority of small businesses doing the right thing.’

The above statement is patently false and is in fact, exactly the desired outcome, which is to penalise honest and non-welfare taking individuals that stand in the way of ever-expanding governance.  If small businesses paid less tax because they were allowed to keep more, there would be a higher sum of money being spent on goods and services actually desirable to the beneficiary/owner of the business.  If it were not for high taxation and perceived exemption to legal statues and protection from prosecution (such as in the Jackie Trad case; one of many scandals that go unpunished if the accused is willing to step-down from their position of power), the government could not afford to change the laws that eliminate the intervention in legal trade that results in even competition for the acquisition of plant and machinery or the tender of public works projects, for example.

This is privatisation of the profits and socialisation of the debt.  The Global Financial Crisis resulted in an exponential increase to the prices of common goods and services due to the expansion of the money supply, that has the hedonic regression machine in a smoldering heap in an attempt to suppress true price inflation.  A pertinent example is ‘The Australian’ newspaper in 2007 costing $1.20 and the same paper in 2017 selling for $3.00.  That is a 250% rise in the cost of that newspaper over 10 years.  Has your wage gone up to 250% in the same span of time?  Not sure what hedonic regression is?  Below is an example:

‘Although product characteristics are neither produced nor consumed in isolation, hedonic price models assume that the price of a product reflects embodied characteristics valued by some implicit or shadow prices.’

<https://en.wikipedia.org/wiki/Hedonic_regression>

This means that if it costs $2369 for an iPhone in 2019 and it cost $884 in 2009 for the same level of phone, todays phone has only gone up by perhaps 12% because the technology in that phone was so expensive in 2009 that it is, by relativity, cheaper now.  This disregards the obvious fact that a purchaser wanted the best iPhone then and they want the best iPhone now, irrespective of its features.  A true indication of price inflation here is 268% in ten years.

This is exactly why we do not need to generate the conditions that lead to the unallocated distribution of resources.  We do not need to heat-up an already fizzing economy with more spending at the expense of the purchasing power of the money due to the inevitable policy for negative interest rates in the future.

In my opinion, the regulatory de facto practices that legislate the punishment by subjective regulation undermine the rights of all Australian citizens and strike at the core of liberty and small government, to which the Liberal party is supposed to stand for.

Since the GFC, the Liberal party has become a financial manqué of the most extreme measure, such that those with deposits and superannuation funds with their ear to corporate media are destined to follow ignorantly off the proverbial cliff.  The act of not subjecting the legislature to the query of possible bastardisation of the intended outcomes, give rise to such idioms as non are so blind as those who will not see.  I am therefore, trying to help others see.

In closing I would like to leave you with a thought that I hope will be seen as encouraging and of benefit to all those who act with Honesty and Integrity.

If it is not for the stature of wise men, to defend rightly, the sovereignty thereof the common man, how many more wrongs may have we imperiled, in speaking not of the encroaching enslavement and imperceptible diminishment of rights, but of the good intentions of ignorant and hedonistic governors, to vote, in total ignorance of the effects of regulation over legislation, at the political expediency of the moment for such a matter as undefinable as the ‘black economy’ when physical cash has been the medium of exchange for over 3,000 years.

This is not simply a matter of retrieving unpaid taxes; evidently, this is a piece part of a larger agenda.  For what right do you have to debase the price of my money that supports your grandiose lifestyle that is not at all commensurate with your level of understanding of such a complicated matter as a Country’s economy.

Thank you and kind regards

**Bradley Davren – Director**

**AVCRO Pty Ltd**

A: 127A Massie-Bony Mountain Road, Massie, QLD 4370

E: [brad@avcro.com.au](mailto:brad@avcro.com.au)

P: 0439 837 422



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