**From:** Mark Smith <mark-n-carolyn@hotmail.com>   
**Sent:** Wednesday, 7 August 2019 11:21 PM  
**To:** RG - Black Economy <Blackeconomy@treasury.gov.au>  
**Subject:** Submission: Exposure Draft—Currency (Restrictions on the Use of Cash) Bill 2019

I am writing to express my strong opposition to the Currency restrictions on the use of cash)  bill, 2019.

1. The premise of the bill is flawed:

It was framed as a result of the findings of the “Black Economy task Force”who claimed that “ tighter and more comprehensive state controls over individuals' financial flows and funds will effectively fight crime, shadow economy and terrorism”.

This is completely unproven and largely refuted in a paper entitled “Restricting or abolishing cash: an effective for fighting the shadow economy, crime and terrorism” (Friederich Schneider, 2017).

Schneider, who is an expert on this subject, said that there is “Weak empirical evidence” and cited the case of Sweden which has implemented an almost totally cashless economy with no impact on the black economy at all. (and no subsequent increase in tax revenue)

What Professor Schneider did say was that “ cash has a minor influence on the shadow economy, crime and terrorism but potentially has a major influence on civil liberties.”

1. The Black economy task Force was comprised of biased individuals with a predetermined plan: That is, to implement world wide negative interest rates in accordance with IMF agendas, and of course their recommendations were made in line with these agendas.

Ken Rogoff (ex IMF), a member of the Black economy task force is quoted in the Wall Street journal 25.9.17: “Another advantage of eliminating large bills would be the effect on monetary policy. The Federal Reserve should be able to implement negative nominal interest rates, vastly more effectively in the absence of large bills which could prove quite important as a stimulative tool in the next financial crisis.” (This is a flawed Keynsian idea)

1. Cash creates a limit on negative interest rates, because if interest rates go negative, people remove their cash from banks so at least it doesn't get stolen off them by the bank.

The real purpose of limiting cash transactions is as a stepping stone to the complete elimination of cash, so that negative interest rates of any degree can be imposed at will and from which there is no escape. IE. The money of the average person is held in a bank and loses value at whatever the negative interest rate is set. It takes away all control of people to be able to effectively manage their money and forces them to spend it all and not save, which in the end creates slavery.

1. What distresses me most is that this is being done so underhandedly. In 2007 Kevin Rudd said that the government was committed to **evidence based policy**, yet there is no evidence at all that it will achieve the “stated” goals. There is, in fact, evidence to the contrary.

There is NO evidence that taxation receipts will increase, there has been NO cost benefit analysis done, and there has been NO mention of the real goal, which is negative interest rate imposition.

1. Because of data cross matching etc. the amount of tax lost from individuals these days is negligible. Most tax avoidance is from large corporations with big accounting firms who exploit every loophole and have the money to fight the ATO to a standstill if they dare to investigate. (This has happened in the recent past, as you well know.)

If you care for the Australian people at all, please do not proceed with this dreadful and flawed legislation.

Howard Smith