**From:** Yuki Ishikura <yuki.ishikura.bne@gmail.com>   
**Sent:** Monday, 12 August 2019 10:43 PM  
**To:** RG - Black Economy <Blackeconomy@treasury.gov.au>  
**Subject:** Exposure Draft—Currency (Restrictions on the Use of Cash) Bill 2019

To whom it may concern,

I am writing to express my 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.

The proposed bill and associated instrument are a major concern as they pose a significant threat to economic freedom in Australia and they represent an erosion of civil liberties in Australia.

The proposed laws are also anti-competitive in nature given that cash transactions provide an alternative to using Australia’s commercial banking sector.

The timing of the proposed bill adds additional distress considering that the Australian cash rate is currently at an unprecedented low level of 1%. Cash has proven to be a floor to negative interest rates and, in turn, can be one effective measure to help preserve the wealth of individuals within our communities.

The proposed bill and associated legislative instrument make it increasingly difficult for Australians to protect themselves from the economic burdens that an official policy of negative nominal interest rates would carry.

Furthermore, there is a lack of empirical evidence supporting how these proposed laws will help fight the shadow economy. For such a drastic measure, a cost-benefit analysis has not been produced in relation to how this proposed measure will benefit the economy and society.

The benefits that the government states can result from these measures must be critically analysed and, further, comprehensive research must be done to ensure they are in the best interest of the people of Australia.

Please refer to the following statements from an independent study published in 2017 by Friedrich Schneider, titled ‘Restricting or Abolishing Cash: An Effective Instrument for Fighting the Shadow Economy, Crime and Terrorism”:

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

Schneider outlines that countries such as Sweden still have sizeable shadow economies even though cash payments have become less in use.

Additionally, Schneider states:

“Cash reflects the fundamental relation between citizens or taxpayers and state authorities. Using cash means freedom, independence and personal fulfillment for a citizen who doesn’t want a state intervention when using cash. The “voices” calling for the limitation or abolishment of cash argue that tighter and more comprehensive state control over individuals’ financial flows and funds will effectively fight crime, shadow economy and terrorism. But in my opinion we have weak empirical evidence.”

I am writing this as sound policy-making, that is supported by empirical evidence and comprehensive analysis, must prevail. The proposed bill and associated instrument should not be even considered to be passed until there is clear evidence that it will not hinder economic freedom and civil liberties in Australia.

Sincerely,

Yuki Ishikura