**From:** Ben Wilkinson <benjitechevents@gmail.com>   
**Sent:** Monday, 12 August 2019 2:30 PM  
**To:** RG - Black Economy <Blackeconomy@treasury.gov.au>  
**Subject:** Restrictions on the Use of Cash Bill 2019 (Cash Ban)

My main concern is that Parliamentarians will only consider the narrow tax efficiency aspect of the Bill and vote it through without considering the broader consequences.

Ten thousand dollars, seems a reasonable limit at first. But if this bill is passed that amount can be arbitrarily changed by bureaucrats, and needs not be put to parliament.

My concern is this may lead to experimental monetary policy being implemented via the back door.

Our cash rate is set to historical low of 1% and likely to head even lower. Iron ore price dropping, US and China trade war intensifying, Brexit still looming, and Australia having the second highest debt to GDP ratio in the world. We have very little ammunition left in our monetary policy cannon to survive another global economic shock.  
  
The desire to put negative interest rates on the card is very likely the true intent behind the cash ban. If negative interest rates are implemented with out a cash ban, more people will withdraw from the bank choosing to instead  transact in cash. Making negative interest rates far less effective.

We are giving up our civil liberties if we have no choice but to transact through the banks.

Professor Frederik Schneider research fellow at the institute of labour economics at the university at Linz Austria. Who is a leading international expert in the black economy.

“Stated that there is a lack of  empirical evidence that cash transaction bans will help reduce the black economy.”

excerpt  from paper published in 2017 titled

[**Restricting or Abolishing Cash: An Effective Instrument for Fighting the Shadow Economy, Crime and Terrorism?**](https://www.econstor.eu/bitstream/10419/162914/1/Schneider.pdf)

Please do no rush this through, there has not been enough public discussion.