**From:** Zdenka Novak <zdenka.novak@hotmail.com.au>   
**Sent:** Monday, 12 August 2019 6:13 PM  
**To:** RG - Black Economy <Blackeconomy@treasury.gov.au>  
**Subject:** Submission: Currency (Restrictions on the Use of Cash) Bill 2019

Attn.: Manager, Black Economy Division, The Treasury, Langton Crescent, Parkes ACT 2600

Dear Manager of Black Economy Division,

I am writing to express my strong opposition to the proposed draft of the Currency (Restrictions on the Use of Cash) Bill 2019 and its accompanying Exception Instruments because:

1. They pose significant restrictions on civil liberties of Australians and limit economic freedom in Australia.

2. They are designed to force Australians to use commercial banks run by corporations and trap them in the current, sick banking system given the recent Royal Commission into Banking.

3. They would also limit the abilities of Australians to escape bail-ins or negative interest rates if imposed and therefore make it difficult (if not impossible) for them to preserve their hard earned savings.

I would also like to bring to your attention a study on cash and the shadow economy by Dr. Friedrich Schneider - an Austrian university teacher of economics  - titled "Restricting or Abolishing Cash: An Effective Instrument for Fighting the Shadow Economy, Crime and Terrorism?" (a pdf version is published at <https://www.bundesbank.de/resource/blob/634950/803cf541deb87a4433533e7196c2cd96/mL/2017-04-24-schneider-data.pdf>).

Below you will find a few quotations from Dr. Schneider's conclusions in regards to cash vs black economy and cash vs civil liberties:

"For liberal societies the importance of cash has much deeper aspects than “pure” economic ones. 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."

"The abolishment or strict limitation of cash carries the risk of seriously weakening trust in state authorities. Abolishing cash as a simple tool against citizens to enforce state control can easily prove to be counter-productive. Given the real perceived importance of cash for civil liberties, a limitation or abolition could only be justified by sound reasons and large benefits. Only then may trust between citizens and authorities remain intact. As cash is neither the motivation nor the reason for shadow economies, crime or terrorist attacks, its abolition would not lead to large welfare gains. In a democracy the choice between cash and other means of payment should be left to users, who happen to be citizens, taxpayers, consumers and producers at the same time. Hence, my final conclusion is that citizens don’t want to be forced by state authorities not to use cash anymore. They should be free to choose which payment instrument they use."

Yours sincerely,

Zdenka Novak

6/19 Westminster Ave

Dee Why NSW 2099