**From:** David Solly <davidsolly@yahoo.com>   
**Sent:** Saturday, 10 August 2019 6:01 PM  
**To:** RG - Black Economy <Blackeconomy@treasury.gov.au>  
**Cc:** gladys.liu.mp@aph.gov.au  
**Subject:** Re: Currency (Restrictions on the Use of Cash) Bill 2019

Manager Black Economy Division

The Treasury

Langton Crescent

PARKES ACT 2600

Dear Manager,

I am writing to express my strong 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.

This legislative proposal is an atrocious attack on economic freedom and privacy. Moreover, it will place yet more compliance burdens on small business, community groups and private citizens. This compliance burden will further impede economic growth, particularly in the the vital small business sector.

The "at glance summary" ( <http://www.treasury.gov.au/sites/default/files/2019-07/at_glance_summary_of_how_the_cash_payment_limit_will_work_0.pdf> ) mistakenly claims:

"Are there any new reporting requirements?  
  
This will not impose additional reporting requirements on businesses  
and consumers."

Yet again treasury don't, won't and probably can't understand the impact of their own laws and haven't even bothered with a regulatory impact statement. The law apply to a series of transactions so everyone including the local scout group and kinder has to keep a record of all transactions to prove that the transactions aren't part of a larger illegal transaction.

As someone who has worked on a number of voluntary committees I have seen the difficulties created by both state and federal regulations that have meant that volunteers spend more time worrying about compliance and less time serving the community. For example, if I am organising a sausage sizzle for Scouts or the Kinder and we are nearly out of sausages I won't be able take some cash from the float and rush over to the butcher. I'll need to pay electronically and claim back. Rather than just giving the receipt to the treasurer I'll need to fill in a form and provide a copy of my credit card statement. That is a lot of extra, non-productive work and record keeping to prove that the Kinder or Scout committee are compliant with the act.

The stated rationale for this legislation is:  
"Rationale: The introduction of an economy-wide cash payment limit is a recommendation from the Black Economy Task force and sends a strong signal to the community that it is not acceptable to avoid tax and other obligations by paying with cash. "  
  
People pay cash for many legitimate reasons, starting with avoiding credit card transaction fees commonly around 3% to 6%. Of course no one in Treasury knows anything about small business so I don't expect them to understand this point. However, giving 6% of your turnover to a bank may represent a significant part of your profit margin and so make your small business unviable.

Further, this may have escaped the notice of the policy wonks over at Treasury, but making large cash transactions illegal won't actually stop your local drug dealer, terrorist or tax dodger making large cash or cryptocurrency transactions. The research from Sweden (<http://www.econ.jku.at/papers/2017/wp1708.pdf)> has demonstrated this.

Regards,

David Solly