**From:** Justin Wade <justin-wade@live.com>   
**Sent:** Sunday, 4 August 2019 6:00 PM  
**To:** RG - Black Economy <Blackeconomy@treasury.gov.au>  
**Cc:** Ken.Wyatt.MP@aph.gov.au; a.albanese.mp@aph.gov.au; senator.lines@aph.gov.au  
**Subject:** A review by citizen J - Currency Bill 2019

Dear Sir/Madam(/preferred honorific),

I am proud to present a review of the proposed 'Currency (Restrictions on the Use of Cash) Bill 2019'

As seen on <https://www.treasury.gov.au/consultation/c2019-t395788> I will be looking through the all Exposure Draft's that are listed there to make this review.

(For the TL;DR, see the Summary at the bottom)

With that out of the way, lets start from the top with the following

EXPOSURE DRAFT EXPLANATORY MATERIALS

It starts with explaining what abbreviations are used and what they mean before getting to the meat of the subject

***Chapter 1 Restricting the use of cash***

Because the title says everything that needed to be said, it jumps to the next chapter

**Chapter 2 Outline of chapter**

2.1This Bill introduces offences for entities that make or accept cash payments of $10,000 or more.

2.2This ensures that entities cannot make large payments in cash so as to avoid creating records of the payment and facilitating their participation in the black economy and undertaking related illicit activities.

(Regarding 2.1 and 2.2) Now for the average user of money in Australia (see people in Australian society), making a payment in $10,000 or more in cash is not a common occurrence, but it feels a little strange to outright ban it.

The reasoning behind it at face value seems understandable but after thinking about how easy it would be to subvert this through 'flexible payments' (just like [insert white/brown goods retailer here]...but illegal) where the payment is spread out over several months using $9,999 or lower payments per week/month; why bother putting forward this bill if it is so easy to work around? Especially if my dumb ass could find a workaround that terrorists/money launderers/people doing the wrong thing on purpose can use, there are probably many more out there that I have not thought of; further adding questions of why bother doing this?

We will get to why in a moment. First we will complete EXPOSURE DRAFT EXPLANATORY MATERIALS

Chapter 3 and 4 are stating various related act's related to cash, cashless systems and the exchange of money. It's just text to give context. Pretty boring.

Chapter 5 is a different story

**Chapter 5 The report of the Black Economy Taskforce**

5.1The Final Report of the Black Economy Taskforce recommended the Government introduce a $10,000 cash payment limit for transactions between businesses and individuals.

5.2In its response to the Report in the 2018-19 Budget, the Government announced that it would introduce a cash payment limit for such transactions with effect from 1 July 2019. This was recently extended to 1 January 2020 in the 2018-19 Mid-Year Economic and Fiscal Outlook.

The Black Economy Taskforce. What is the Black Economy Taskforce and why did they make this recommendation?

It's not listed in chapter 5 so on to the next chapter!

Chapter 6 through to 22 - My eyes are glazing over (this must be why lawyers charge so much)

Now on to the next document

**Currency (Restrictions on the Use of Cash) Bill 2019**

Hold up...

**6 Definitions**

In this Act:

***cash*** means either or both of the following:

(a) digital currency;

(b) physical currency.

***cash payment limit***: see section 7.

**7 Meaning of *cash payment limit***

For this Act, the ***cash payment limit*** is $10,000.

...does this mean that making a bank transfer from one account to another in excess of $10,000 illegal? As it is most certainly not a physical currency, but a digital stand-in of physical currency. This does not fill me with confidence.

And neither does the following

**Division 2—[To be inserted]**

I get that it's a draft but you can't just put in 'To be inserted' for legislation! Imagine going to hospital and getting a surgeon who's medical certificate has a section that is 'To be inserted' but told you not to worry about it because it will have been inserted before your surgery. Not a situation I'd want to be in.

The draft needs to be filled in before sending it in for assessment otherwise the assessors (like myself) will not be able to make a proper judgement on the draft.

The majority of the document lists who and what are liable for breaking this law, how much punishment and enforcement of this law. Boring stuff to read.

(So this is why caffeine is the most used drug in the world)

Onward to the next document

**EXPOSURE DRAFT EXPLANATORY MATERIALS**

***Currency (Restrictions of the Use of Cash) Act 2019***

***Currency (Restrictions on the Use of Cash—Excepted Transactions) Instrument 2019***

## Excepted transactions

### **Section 5 – Personal or private transactions**

The first exception to the cash payment limit is for payments for personal or private transactions. This includes:

payments solely for supplies or acquisitions that are *not* made in the course of an enterprise; and

payments that are made or received by an entity in circumstances where that entity reasonably believes that the payment is solely for supplies or acquisitions that are *not* made in the course of an enterprise.

Okay! One issue down, we can make bank transfers from one account to another without it being illegal!

Yay!

Carrying on with the document

Private sale of assets like a car sale/purchase are in the exception \*wipes sweat off brow\*

A nice and short document with answers!

The next document is the following

**Currency (Restrictions on the Use of Cash—Excepted Transactions) Instrument 2019**

More of the same from the previous document but slightly different

The last document is the

At glance summary of how the cash payment limit will work

It's layman terminology.

Its good to be back.

The title really explains everything you would would want to know and no more.

(Start reading the below for the TL;DR)

**The summary**

In it's current form this legislation will not stop anyone who wishes to partake in illegal transfers of money from doing so. It just makes it a tiny bit easier for the law to charge those suspected of partaking in illegal transfers of money.

But the problem isn't about how ineffective the solution is in it's sated goal but what it can lead to.

It just opens the possibility for police to confiscate any sum of money above the stated limit from anyone regardless of evidence of legal intent (purchasing a car for example), changing the stated legal limit to any amount, including making the use of Australian notes and coins illegal to use in Australia.

When researching the topic, the same conclusion is drawn.

It isn't about tax evasion and money laundering.

It's about moving money.

Many see this as a stepping stone to the original intended goal of moving Australia into a cashless society. The result of a cashless society is that everyone will have to be with a bank to store their money, the banks can put the interest rate below 0% and the only logical way out for everyone else to put their money is in shares and assets or just spend it.

Theoretically boosting the Australian economy by forcing people to invest in companies through shares, purchasing assets like houses and just spending more in general because their going to loose it anyway in the bank with interest rates below 0%

The problem is that this will benefit few in the long term, with money being siphoned into banks with no observable good or service being given back to the consumer through negative interest rates, large corporations with reasonably stable share value will get the majority of the money due to them being 'safer' than others for long term investment (which may cause the value of those companies to over inflate to unsustainable levels) and encouraging frivolous spending is irresponsible at best.

To sum it all up,

I do not support this legislation 0/10 do not legislate.

Kind regards,

Justin