

March 2022

Dear ACCC,

Thank you for the opportunity to make a response to your request for feedback on potential new rules for large digital platforms (submissions closing 1 April 2022), as part of your Digital platform services inquiry 2020-2025.

My submission concerns consumer online financial security and privacy, and my major point is that one of the simplest and most effective ways to protect people online, is to protect them OFFLINE!

That is, we urgently need legislation to protect peoples' right to make in-person payments using physical cash – and thus allow people to SIDESTEP the digital platforms and avoid or minimise the risks and pitfalls of the digital environment. An absurd situation is approaching, where someone can be walking around with a wallet full of bank notes and a pocket full of coins, only to find that these are useless to buy anything!

Many businesses, as well as the banks, are trying to impose a cashless in-person transaction system on the public, simply because the business finds it more convenient to use electronic transactions than to handle cash, thus forcing people more and more into the digital environment, with many actual and potential negative consequences.

We also need to make sure that people are able to access cash. This means that there needs to be at least one ATM or cash outlet available in each metropolitan district and regional centre.

The importance of having cash available was underlined recently, when floods in parts of regional Australia destroyed businesses' links to financial institutions, rendering online payment systems non-operational for an extended period.

I was reading recently about the approach the Spanish government has taken to keep cash available to its citizens. In parts of Spain, they have a "cash bus", or mobile cash outlet/bank-branch - a vehicle that drives around to various towns and regional centres - allowing people to withdraw cash and do their banking.

Along with legislation, we need a campaign to make people aware of the risks associated with electronic money transactions, and to encourage people to use physical cash - or even cheques - where possible, rather than credit/debit cards or "smart" phones or internet banking, and thus avoid the unfolding social and economic disaster that is occurring in some countries overseas, that have fully or largely migrated to electronic transactions online and offline.

People can still have the option of using electronic payments should they need to do so (provided the business concerned has that facility).

I have copied below a recent letter that I wrote to my local Council on this matter, along with an associated news article. The letter and the associated news article say everything that I could say to you directly, and demonstrates the problems that people are now having with day-to-day in-person financial transactions and purchases, and the actual and potential consequences of those problems.

Legislation needs to be drafted to make it illegal for businesses and services to refuse to accept in-person physical cash payments, except perhaps in special circumstances.

If such legislation is formally proposed, I suspect that there will be a flood of applications from businesses and organisations, making all sorts of excuses to try to ask for some sort of exemption from the legislation. But in most circumstances, the only real reason that businesses and organisations would want to be exempt from such legislation, is that they find it more convenient to use electronic transactions, and possibly, in the case of organisations transacting large amounts of cash, that they also find it slightly cheaper to use electronic transactions (because the organisation doesn't have to pay for services such as an armour van service to deliver cash to the bank). However, the overall cost to individuals, and to society at large, of "cashlessness" or low cash usage, is way, way too high for these considerations to prevent the use of physical cash (see my letter to the Council).

Thank you.

David A W Miller.

[REDACTED]  
[REDACTED] [REDACTED] [REDACTED]  
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Dear Council,

This is not about the facilities of the Leisure Centre, which seem clean and well maintained, or about the staff, who are friendly and helpful.

However, recently I was stunned when Sutherland Leisure Centre refused to accept my cash payment for the entry fee.

Fortunately, my wife was with me at the time, and had her Visa card with her.

And I notice from your website, that this cashless policy now extends throughout Sutherland Shire Council services.

Refusing to accept the legal tender the government provides for the in-person payment of day-to-day expenses, suggests arrogance, and it suggests contempt for the public, the government, and possibly even your own staff – who may have to deal with resulting irate customers, and may have to turn away some members of the public, including children wishing to spend their "pocket money" to go for a swim. It certainly sends a strong message to the customer that "the management will do what is convenient for it, and to hell with what is safe and convenient for the customer". Hardly textbook customer relations.

Such short-sighted cashless policies based on "convenience for the business at any cost", threaten all Australians in the long term, because they are pushing society closer to being cashless, and if cash goes, everyone will suffer.

Using cash is more than just habit. It is also a matter of customer safety and convenience, and a matter of principle.

And it should be noted, that I have read that it has been found that COVID is NOT transmitted through physical cash, contrary to what was at one stage suspected in the early stages of the pandemic. It is airborne transmitted.

A cashless society is not a free society, because the government can have an exact record of every person's complete financial transactions – from the cup of coffee at the café next door, to the brothel at Kings Cross. This is why the Chinese government is forcing China to “go cashless” – a cashless society is a near perfect surveillance tool. The cashless society will also be used by the Chinese government for personal profiling of every citizen, and for feeding into the Chinese Citizen Social Credit Scoring system. Can't happen here? In recent years Australians have lost certain freedoms of speech and conscience, in developments that would have been unthinkable even 20 years ago.

Indeed, if there is to be no physical cash, why have physical credit and debit cards, which can be lost or stolen? The next logical step is for each person to be fitted with a scannable microchip under the skin of their wrist or forehead, with their identification details, and linked to their bank accounts. This is not science fantasy; it is already more than possible, and is already done with pets.

In any case, a cashless society is not a private society. The banks can sell to advertisers, internet and social-media companies, and others, a perfect profile of each person's expenditure and history, and this information could also enter criminal intelligence.

Indeed, the banks seem to be keen to implement this new source of revenue, closing branches and ATMs as rapidly as they feel they can.

The supermarkets are already using this type of system internally through their loyalty card systems. If one uses their loyalty card, the supermarket keeps an exact record for computer analysis of the person's purchases, and then sends the person an email with tailored sales offers, and informing which of the person's favourite grocery items will be discounted next week.

A cashless society also opens the way for a personally tiered GST. That is, every time someone makes a payment, the computer system interrogates not only what products they are buying, but also who they are, their level of income, and other information about the customer, to determine what level of GST they are to pay on their purchase, according to the person's income and other factors. This of course, negates one of the principles of a consumption tax, which normally operates on the principle that everyone pays at the same rate in exact proportion to the amount they consume.

The elimination of cash is also likely to affect many small businesses, who operate mainly or entirely on cash. People who used to shop in person with cash, may choose to just stay at home and shop online on the bigger companies' websites (because there is no cash, or because cash is accepted in so few places that it is not worth pursuing). Ironically, this in turn may negatively affect the large shopping centres, because as businesses close, there will be less shops and less people in the shopping centres.

And as far as security is concerned, well... Australians already lose hundreds of millions of dollars a year in credit/debit-card fraud, unauthorised electronic bank transfers, and various other online and electronic scams and con tricks. And if everyone is locked-in to electronic payments, and forced, for every purchase major or trivial, to expose their banking details to every merchant - honest or dishonest, secure or insecure, online or in person - then fraud and theft may become completely unmanageable.

Indeed, this is exactly what is now happening in places overseas where the push to force people onto electronic transactions has not been braked.

Alex Brummer reports in The Daily Mail that Britons are now losing hundreds of BILLIONS of pounds a year to electronic fraud (I have copied that article to the page below, or you can access the original through this link):

<https://www.dailymail.co.uk/debate/article-10466311/ALEX-BRUMMER-make-tech-websites-banks-pay-fraud-scams-vanish-overnight.html>

The same article also reports that the banks' campaign to force people and businesses online "is having dire financial, economic and social consequences", is "undermining the social fabric of towns and villages across the country" and is leaving people "without essential local infrastructure", and is "making it much easier for fraudsters and scammers to rob people".

Another problem in a cashless society is that a prolonged power outage or a cyber-attack could leave business and commerce crippled, without even a partial backup.

And despite the emphasis on convenience at any cost, if your electronic payment system goes "down", or is unavailable for any reason, which does happen sometimes, then it will be very INconvenient for both you and the customer, because you will not be able to accept any payments.

By joining the banks' drive to eliminate cash transactions, Sutherland Shire Council is doing the community a grave disservice. It should be the organisation most specifically standing up for the people of the region, and if anything, encouraging people to protect themselves, and to support local businesses, by using cash.

I would request that you reconsider your decision not to accept cash payments. In any case, there is a large petition currently underway on change.org asking the Australian government to legislate to protect people's right to make payments in physical cash.

Thank you.

David A W Miller.

## **ALEX BRUMMER: If we make tech websites and banks pay for fraud, these scams will vanish overnight**

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By [ALEX BRUMMER FOR THE DAILY MAIL](#)

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The relentless campaign by Britain's high street banks to make customers go 'paperless' is having dire financial, economic and social consequences.

Together with the grasping and largely-unregulated big tech companies, the banks – by forcing consumers and businesses online – have made it much easier for fraudsters and scammers to rob them of billions of pounds a year.

Moreover, the closure of thousands of branches has denied millions of customers access to a local bank, undermining the social fabric of towns and villages up and down the country.

It has left pensioners, the infirm and small businesses without the facilities which are an essential part of local infrastructure, contributed to the decline of our high streets and left many consumers dependent on already overcrowded and often dismal post offices.

This has led to an epidemic of what has become known as 'authorised push-payment' fraud under which scammers deceive individuals and businesses into sending online payments to bank accounts they control.

These are emptied almost instantaneously, with the ill-gotten gains shipped overseas using lightly-regulated cash-transfer firms which bypass money-laundering rules.

In spite of the spiralling cost of push-payment fraud, which reached £753 billion in the first half of 2021, the banks (with the exception of TSB and some of the smaller institutions) remain adamant that the phenomenon – which has seen many elderly customers stripped of their life savings – is not their responsibility. And the Government has consistently refused to do anything about it.

The Treasury select committee of MPs is rightly outraged by this flat-footed response and yesterday called on ministers to force the banks to refund fraud victims in full.

Their intervention could not come at a better time as there have never been more people vulnerable to the scammers.

The vast expansion of online banking during the pandemic – when lockdowns barred people from leaving their homes and accessing their cash – gave the banks the excuse to speed up their closure programme and make big savings on property and staff costs.

The banks argue that the fraud warnings they issue and the security precautions they have in place – such as requiring customers to confirm transactions by entering a PIN number sent to their mobile phone – absolve them of responsibility.

They also seek to avert the blame, pointing out that search engines such as Google – and other big tech firms – accept advertising, or allow scammers to use their exchanges for payment, without sufficient scrutiny.

And there is some truth in this. Almost all of us will, at one time or another, have been a victim of push-payment fraud and I am no exception, having been tricked out of £70 by a bogus DVLA website.

The banks argue that until the big tech companies tighten their procedures they should not be expected to pick up the bill alone.

But attempts to tame the tech giants by bringing them under the umbrella of regulation and the law all too often end in stalemate.

The result is Britain's approach to fighting online financial crime, and its procedures for compensating victims, are currently hopelessly unfit for purpose.

But of one thing we can be sure: if the Government did force the banks to repay its customers every penny lost to fraud, they would revamp their security measures in very short order and scammers would soon be a thing of the past.

Source –

<https://www.dailymail.co.uk/debate/article-10466311/ALEX-BRUMMER-make-tech-websites-banks-pay-fraud-scams-vanish-overnight.html>