

Dear Members,

Availability and access to cash in Australia

In June 2021, the Australian Government released its review of the regulatory architecture of Australia's payments system (*Payments System Review – from system to ecosystem*). Among the issues identified in the review included access and availability to cash across the economy as the use of cash falls.

The report acknowledges that as the payments ecosystem evolves, it is important to transition away from legacy systems in a managed and orderly way. "The vulnerable and those without access to digital payment technologies should have suitable alternative payment methods that they can rely on, so they are not 'locked out' of the broader economy."

As the two leading bodies for security & ATM professionals in Australia, we are jointly seeking your support in calling for the Australian Government to engage with key stakeholders to plan and prepare for the evolution in the payments ecosystem to ensure that consumers always have true payment choice and that none in the community are left behind or disadvantaged by technological change.

Whilst cash transactions have fallen, the review acknowledges that cash will remain an important method of payment well into the future, not only for vulnerable consumers and regional communities, but as an important back-up form of payment not tied to the digital economy should there be cyber-attacks, natural disasters or power outages. Cash users in different demographic groups should have the right to choose their payment methods of preference, whether cash, online, mobile or card payments, or a combination of any.

In the United Kingdom, an independent report (*Access to Cash Review, 2019*) identified a range of public concerns around a cashless economy, among these included risks to regional communities, loss of personal independence for many older people and those with disabilities, increased debt for those who use cash as a means of managing their budgets and the risk of the poorest paying more. In Sweden, once a poster child for going cashless, the government has admonished its citizens to have cash as a back-up and has highlighted national and systemic risks associated with a so-called cashless society. In the USA, many cities and states have banned cashless retail establishments because they exclude certain demographic groups, and a federal bill is in the pipeline to ban cashless retail outlets nationwide.

As legal tender, cash is a core part of Australia's national infrastructure and not just a commercial issue. Consumers should be entitled to have freedom of choice when it comes to whether or not they use cash. However, having this choice is predicated on access to cash, acceptance of cash and a viable cash infrastructure.

As the *Payments System Review* states "... cash distribution is a critical function in the payments ecosystem, and that a strategic plan for the payments ecosystem should give consideration to this issue in a holistic manner..."

A key recommendation of the *Payments System Review* is that "Consumers and businesses should be at the centre of policy design and implementation." In planning for the evolution of the payments ecosystem, it is vital to ensure the availability of a viable and efficient cash distribution infrastructure. Engagement with key consumer and business groups will be crucial in planning for this.

ASIAL & ATMIA are calling on the Australian Government to engage with key stakeholders to develop a strategy for evolution of the payments ecosystem to ensure that none in the community are left behind, excluded or disadvantaged. Consumers, and business, need a guarantee that they can access and use cash for as long as they need.

We are seeking your support as a co-signatories to write to the Australian Government calling for the development of a government policy on cash, including the importance of maintaining the viability of cash while working towards making digital payments a real option for everyone.

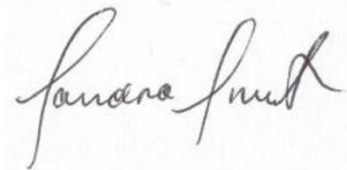
We would welcome the opportunity to meet with you to discuss this further with you.

We forward to your support.

Yours Sincerely



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