National Seniors AUSTRALIA

Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

Cash Distribution Framework Bill 2026 and Cash Distribution Framework (Consequential Amendments and Transitional Provisions) Bill 2026

Thank you for the opportunity to make a submission to the inquiry into the legislation to implement the Cash Distribution Framework.

National Seniors Australia (NSA) is the leading independent advocacy organisation for older Australians. Through our research and advocacy activities, NSA works to improve the wellbeing of all older Australians, including self-funded retirees, pensioners, part-pensioners, veterans, and carers.

NSA welcomes the proposals in the Bills to create emergency powers to keep cash available, which reflects the seriousness with which the risks to cash distribution and transit are being taken by the government and regulators.

Hopefully these powers will never need to be used. To increase the likelihood of this being the case we continue to call on the government to take further action to ensure that cash remains accessible and accepted throughout Australia, including by periodically reviewing the cash mandate to ensure it is effective.

We note that the Cash-in-Transit Sustainability Measures authorised by the ACCC in relation to Armaguard ended on 30 June 2026[1] and at the time of writing there has been no public statement from relevant parties about replacement arrangements Hopefully regulators and industry are continuing work to keep cash moving, so it remains accessible and accepted.

Yours Sincerely

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Chief Executive Officer

[1] Australian Banking Association Limited - CIT Sustainability Measures | ACCC

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Cash is valued by seniors and the broader community for a range of reasons, including to budget, for security, reduce fees, make payments when electronic methods are unreliable, or as a backup in emergencies.

Given the value seniors place on cash, NSA has been heavily involved in consultation on the Cash Mandate (later changed to the cash acceptance rules), Cash Distribution Framework, and related topics.

Below, we summarise our overall position and refer to our previous submissions in relation to the exposure draft for the Cash Distribution Framework:

- NSA Submission - Cash Distribution Framework Exposure Draft
- NSA Submission - Regulating Cash Distribution

NSA welcomes The Cash Distribution Framework as step forward, given it increases monitoring of the sector and creates emergency powers allowing regulators to step if the system is at risk of collapse. However, we believe the government and regulators should take further action – so the emergency powers remain ready but unneeded.

The framework is being designed at a time of uncertainty in the Cash-in-Transit sector. However, such powers should not be considered only in the context of current risks but also future ones. As we've raised in the above submissions, movement of cash around the country could be impacted due to broader factors, such as:

- Telecommunications and cyber disruptions
- Disruptions to the availability of fuels, including diesel needed for heavy armoured trucks
- Prolonged industrial disputes

Such future potential triggers for use of the emergency powers should also be considered in the design of the framework.

The continued use of cash is of particular interest to those who use and rely on cash transactions. As RBA data indicates, cash usage as a share of payments is highest among the lowest income quartile and also in regional areas.

Even for those who usually pay by card, having some cash is important in case of emergencies or an electronic payment system outage – most recently, as we saw with the Telstra outage in July 2026.

Keeping cash available is not only important as a means of payment, but it also critical to maintain confidence in the value of cash as a store of value, given there is more than $107 billion of Australian banknotes on issue.[2]

Maintaining cash distribution as a sustainable business, require greater levels of cash distribution to spread the fixed costs. The Cash Acceptance Rules creates a backstop preventing supermarkets and fuel retailers from refusing to accept cash, helping to create demand and supply for cash by retailers and through them on to consumers.

The missing element is an intermediary between businesses and consumers – both of whom need somewhere to deposit and withdraw cash. This is the role of banks, unfortunately one that banks are increasingly seeing as a cost rather than a duty. A banking licence is a privilege, and with it should come obligations as well as benefits.

While the existing bank branch closure moratorium is welcome, it is set to expire in less than 12 months, by mid-2027, and it is limited in the number of included banks. If it is not continued and expanded, will regional and remote Australia see the levels of branch closures as has happened in the cities?

This would compound what is already likely to be higher costs of conducting business in cash in remote and regional areas due to lower economies of scale in distribution. This is where regional and rural bank branches are vital – it is far more efficient to make bulk deliveries of cash to a single location than more frequent smaller deliveries and collections from smaller businesses. Bank branches need to be considered as part of a broader hub-and-spoke model of cash distribution around Australia.

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[2] Reserve Bank of Australia Balance Sheet | RBA

Securing the wider cash network is key to maintaining the viability of case distributions and there are several ways to assist in this:

- **Banking services through Australia Post should be strengthened**. Without significant investment in Australia Post, Bank@Post can't provide adequate banking services.

- ATMs may also be of some assistance, but this would require deposit capabilities and there are also questions of scale.

- **An increase to the Major Bank Levy is required to fund face-to-face banking services in regional and rural areas**. We have separately put forward a proposal for an increase to the existing levy on large banks, to be paid to banks maintaining branches in regional and remote areas.[3]

[3] Policy recommendation: Ensure face-to-face banking services remain available | NSA

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