

31/10/2025

The Treasury
Langton Crescent
PARKES ACT 2600

Exposure Draft: Competition and Consumer (Industry Codes – Cash Acceptance) Regulations 2025.

Thank you for the opportunity to make a submission in response to the exposure draft regulations. National Seniors Australia (NSA) is the leading 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.

Maintaining cash as accessible and accepted is important to seniors, and the broader community, as a means of payment, a backup in emergencies, and for the stability of the broader financial system.

Seniors felt their concerns were being listened too when the Cash Mandate was originally announced, but were disappointed that the initial consultation paper excluded a large number of businesses¹. NSA is disappointed that the exposure draft includes further exemptions, narrowing the number of businesses required to transact in cash.

While we acknowledge this as a step forward, given there is no current obligation to accept cash, however we call on the government to enact a cash mandate that includes a greater number of businesses and government agencies to ensure that conditions for cash availability and accessibility are strengthened. Further details are provided overleaf.

Yours Sincerely



Chris Grice
Chief Executive Officer

¹ [Cash mandate submission | NSA](#)

Benefits of cash

As stated in our original submission to the Cash Mandate consultation², there are many benefits to keeping cash flowing through the economy:

- Reliable backup in case of natural disasters or electricity/IT disruption
- Generally fee-free transaction method that supports social inclusion
- Provides privacy and anti-scam protections
- Enhances confidence in cash as store of value.

According to the RBA, almost \$106 billion Australian dollars is currently in circulation.³ To maintain the benefits of cash, cash needs to continue to circulate. However, the proposed Cash Acceptance rules do little to support wider cash accessibility and acceptability.

Essential goods and services

We are concerned the exposure draft has further constrained the scope of the products, services and retailers required to offer cash as a transaction method.

In the 2024 joint media release announcing the Cash Mandate, Treasurer Jim Chalmers and then-Assistant Treasurer and Minister for Financial Services Stephen Jones said “The Government will mandate that businesses must accept cash when selling essential items, with appropriate exemptions for small businesses.”⁴ In a subsequent interview, Treasurer Chalmers said that “We think that’s especially important when it comes to things like petrol and groceries and pharmacy, and in other ways as well”.⁵

This approach was reflected in the consultation paper on the Cash Madate, which included the following as essential items worthy of being included: water and sewerage; electricity and gas; clothing for children; medicines and medical products; medical and dental services.⁶

² [Cash mandate submission | NSA](#)

³ [Reserve Bank of Australia Balance Sheet | RBA](#)

⁴ [Ensuring the future of cash and next steps in phasing out cheques | Treasury Ministers](#)

⁵ [Interview with Michael Rowland, ABC News Breakfast | Treasury Ministers](#)

⁶ Though we also viewed the consultation list as overly restrictive as it excluded from the definition of ‘essential’ items such as clothing for adults, furniture and furnishings, household appliances, and public transport services.

Given the proposed mandate now applies only to groceries and fuel, we ask the government why the above goods and services are no longer considered essential?

Dr Daniel Mulino, Assistant Treasurer and Minister for Financial Services implied that a cash mandate is not required for essentials such as utilities, phone bills and council rates because BillPay via Australia Post allows people to pay for these by cash.⁷ While BillPay is a welcome service, it does not allow for payment in cash for all essential services, such as pharmaceuticals. Furthermore, it is important to note that BillPay's Terms of Service are not immutable and could change in the future, removing the ability to make cash payments for these essentials.

It was proposed in the original consultation paper, that the Cash Mandate would apply to essential government services only to the extent that the government was carrying on a business. However, in the same paper it went on to list several examples of exempt services, included issuing passports, vehicle registration and – confusingly – domestic waste management services. This is despite “utilities: including water and sewerage...” being listed as an essential good or service.

The Cash Acceptance rules have seemingly resolved this issue by deeming all government services non-essential by excluding them from the rules. It appears inconsistent that the government can list the broad social benefits of maintaining cash acceptance but then say government services should be exempted and are non-essential.

In addition to the restrictions to what is deemed to be essential goods and services, there are further exemptions included in the draft regulations:

- Small businesses are exempt, generally defined as those businesses with annual turnover usually under \$10 million.
- Franchises are exempt based on the turnover of the whole franchise, not the separate businesses.
- The rules only apply to businesses structured as companies, so those structured as trusts, partnerships, or sole traders, are exempt.
- The ACCC may grant other exemptions to “entire businesses, classes of retailers, specific retailer sites, or specific classes of retail sites owned by a single business” due to exceptional circumstances or risk to ongoing feasibility of the business due to cost of complying with the rules. These exemptions may be ongoing and without conditions.

⁷ [Mandating cash acceptance a step closer | Treasury Ministers](#)

Below we set out our concerns with regards to these exemptions.

Small business exemption

The exemption for small businesses is based on the level of business turnover. However, there will be no practical way in which consumers will know when entering a store if the Cash Mandate applies. How will consumers know if a business entity has a turnover of more than \$10 million?

The proposal that the cash mandate apply to all franchisees is sensible, though still requires consumers to know the structure of a business, many may not know if a business is a franchise.

\$500 limit

While we are not opposed to a reasonable upper limit to the cash mandate, we question what calculation supports the proposed \$500 limit. While there are concerns about security costs for small businesses, there is already other exemptions proposed. \$500 is in our view too low compared to the potential cost of a grocery shop for a large family, particularly those in regional areas who may shop less frequently due to the cost and inconvenience of travelling large distances to shop at the closest supermarket. Given the average monthly grocery bill of a family of five is \$1,036 a month⁸, a limit of \$2,000 would be appropriate to provide a buffer, especially if the threshold is not indexed.

Applies only to corporations

While not explicitly set out in the announcement or the Explanatory Statement, it appears the Cash Mandate applies only to corporations. The draft Regulations state a 'supermarket retailer' "means a corporation that carries on a supermarket business in Australia", with equivalent definition for 'motor fuel retailer'. We expect this is due to limits on the constitutional powers of the Commonwealth. However, this does create another level of consumer confusion where businesses that would otherwise be included in the Cash Mandate are excluded as they operate as a trust or other non-corporate structure.

⁸ [Average Grocery Bill](#) | [Australian Living Costs](#) | [Canstar Blue](#)

It is unreasonable for consumers to understand their rights and be expected know the financial and legal details of retailers. Confusion at the consumer level is to be avoided and this will negatively impact both consumers and retailers.

‘Supermarket’ definition

The use of the term ‘supermarket’ is likely to cause confusion, as the common understanding of the term does not match with the broader definition in the *Competition and Consumer (Industry Codes—Food and Grocery) Regulations 2024*:

supermarket business means a business if:

(a) the main purpose of the business is the retail sale of grocery products to consumers; and

(b) a substantial proportion of those grocery products is food that is not for in-store consumption.

For instance, the above definition appears to include greengrocers and butchers, not ordinarily thought of as ‘supermarkets’. Though the impact of this is likely diminished by the small business exemption. It could include convenience stores, particularly where they operate under a franchise model. For the cash mandate to be effective, consumers need to clearly understand at which retailers they can expect to be able to pay in cash – noting that many people already believe erroneously that all businesses must accept cash as legal tender.

Exemption from cash acceptance in natural disasters

In addition to the other exemptions, businesses can apply to the ACCC for a specific exemption. Some of the examples for exemptions appear at odds with the stated benefit of the mandate.

The Explanatory Material states that “Regulations assist with payment system resilience, for example, during natural disasters...”, yet an exemption from the mandate could be provided “if a flooding event leads to localised disruption to cash delivery services for that retailer”. Allowing an exemption in these instances would undermine one of key purposes of cash.

Keeping cash flowing around Australia is an important economic backup where other payment methods fail, including natural disaster, widespread technical fault, or malicious action such as hacking. There should be sufficient cash in circulation, systems in place and retailers able to accept

cash before emergencies strike, not after. The cost of preparation is an investment in economic resilience.

Education

A key issues facing government is the perception that business must already accept cash as legal tender. This perception within the community means that a constrained cash mandate may appear to be a step backwards not forwards. Community education is required to ensure that the current situation is clearly understood before a mandate is put in place.

If the mandate is to be constrained, as proposed, there should be a requirement for businesses to display a standardised logo identifying if they are required to offer cash transactions or not. This could be coupled with a broader awareness campaign to make it easier for consumers to identify said logo and to explain which retailers must offer cash transactions.

Enforcement

We are supportive of the Australian Competition and Consumer Commission (ACCC) enforcing the cash mandate. This is a far superior to relying on private enforcement through individual legal action, as suggested in the consultation paper. There must be resources provided to the ACCC to take on this activity.

We are also supportive of the 6-month grace period on penalties for the large businesses included in the rules, especially given the short timeframe for commencement. Though hopefully no penalties will be necessary because these businesses will continue to accept cash.

There has been legislation put before the federal Parliament which would impose fines on a much broader range of businesses which don't accept cash. In our view, this is the wrong approach. Small businesses are subject to cost pressures beyond their control, including in terms of handling cash. By supporting cash being accessible and accepted throughout Australia this will improve the economies of scale of the cash system, which will drive down the cost to businesses of accept cash.

Bring forward review of cash acceptance

Given the precarious nature of cash distribution networks and the importance of maintaining cash in the economy, it is prudent that a review of the regulations occurs. However, the review should not be held after three years, as proposed in the exposure draft, but completed before the end of 2027.

This would align better with other developments in the cash-in-transit (CIT) sector, as the ACCC is considering an application for “CIT Initiatives and Business Continuity Planning” with an end date of 31 December 2026.⁹ This timing would also allow for consideration of the impact to changes to debit and credit card surcharging.

Supporting cash requires both access and acceptance

We welcome the recent developments towards a long-term pricing model for Armaguard, subject to ACCC authorisation.¹⁰ However, more is needed to ensure that cash remains accessible, for consumers and retailers, especially as bank branches, including in regional and remote areas, continue to decline.

According to APRA data, the total number of bank branches in Australia has declined by almost 44% from June 2017 to June 2025, or 2,489 fewer branches. The largest absolute decline has been in the major cities, while the largest proportional decline has been in ‘very remote Australia’.

Table 1: Comparison of decline in bank branches by regionality

	Major Cities of Australia	Inner Regional Australia	Outer Regional Australia	Remote Australia	Very Remote Australia
Decline 2017-2025, number of branches	1,613	477	301	61	37
Decline 2017-2025, percentage	48.02%	36.55%	37.30%	41.22%	49.33%

Data source: APRA 2025¹¹

At the same time as bank branches have been declining so to have the number of Bank@Post locations. According to the same APRA data, there were 213 fewer Bank@Post locations in 2025 compared to 2017, with almost 32% of this decline occurring in regional or remote Australia. The majority of this decline occurred in the 2023/24 and 2024/25 financial years.

⁹ [Australian Banking Association \(CIT Initiatives and Business Continuity Planning\) | ACCC](#)
¹⁰ [Armaguard deal stuck as banks and retailers agree on pricing model to save cash transportation | AFR](#)
¹¹ [Authorised deposit-taking institutions' points of presence statistics | APRA](#)

The services available through Bank@Post also vary between institutions, with some banks not even allowing either deposits or withdrawals at post offices.¹² We would also note that ANZ remains the only Big-4 bank not currently participating in Bank@Post.

While Billpay does currently accept cash, there appears to be nothing requiring this to continue. Individual billers appear to be able to choose which nominated payment methods they will accept.¹³ Beyond this, the terms and conditions of the service do not even mention cash as a specific payment method, saying:

"Payment method" means a payment method accepted by the Service, including, but not limited to, debit cards, credit cards, PayPal, or any other payment method approved by Us at any time."¹⁴

This appears to leave open the option of Australia Post ceasing to accept cash in payment for bills, including for essential services, with little or no notice. We question how it can be appropriate for a government-owned business, which accepts payment for other essential government services, could cease to accept payment in cash.

We continue to support any moves to strengthen face-to-face banking services in the community, such as through a Community Service Obligation (CSO) such as occurs in telecommunications and pharmacy. This should be used to either support existing banks or establish a new banking service to deliver essential services, such as cash, in regional and rural communities.

¹² [Bank@Post | Australia Post](#)

¹³ [Pay a bill with Post Billpay | Australia Post](#)

¹⁴ [Terms & conditions - Post Billpay | Australia Post](#)