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Black Economy Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600



12 August 2019

Via email: [Blackeconomy@treasury.gov.au](mailto:Blackeconomy@treasury.gov.au)

Dear Kathleen,

Australian Payments Network (AusPayNet) welcomes the opportunity to respond to the Treasury consultation on the *Currency (Restrictions on the Use of Cash) Bill 2019* (the Bill); *Currency (Restrictions on the Use of Cash)(Consequential Amendments and Transitional Provisions) Bill 2019* (the Amendment Provisions); *Currency (Restrictions on the Use of Cash – Excepted Transactions) Instrument 2019* (the Instrument) and associated explanatory materials.

AusPayNet previously made a submission to the Black Economy Taskforce (BETF) in June 2018 in relation to *Introducing an Economy-Wide Cash Payment Limit*. We have therefore focused this response to the specific issues raised previously or during the Treasury roundtable held on 7 August 2019.

### Exemptions for \$10,000 cash limit

- We note that cash distribution between financial institutions (FIs) is exempted under Section 8 of the Instrument – *Payments involving cash-in-transit providers*. This excludes a payment if it is undertaken in the course of an enterprise or such as collecting, holding, or delivering of cash, where the payment is an incident of transport rather than that of consideration or gift. AusPayNet understands this exclusion applies to the Australian Cash Distribution and Exchange System (ACDES). AusPayNet supports this position.
- We note that the exposure draft explanatory materials state that “the cash payment limit will not apply to transactions where an authorised deposit-taking institution accepts deposits or pays out withdrawals”. AusPayNet supports this position.

### Payment Neutrality & Innovation

- Whilst the Quick Facts document makes reference to cheques as an alternative method of payment, we note that no specific reference to cheques is made in the Bill. AusPayNet supports this position and the implied payment neutrality, especially given the consumer-led decline in cheque usage.

### Where non-cash method is reasonably available

- In our original submission, AusPayNet highlighted that Australians continue to embrace digital payments, and that cash usage is in decline. Whilst this remains the case for today and into the future, some sections of society still rely on the use of cash. In particular, older Australians, those in rural and regional areas, and people on lower incomes have lower levels of digital inclusion. The current example provided under Section 10 of the Instrument – *Payments where non-cash payment method is reasonably available*, seems to be unduly restrictive and would only be applicable in instances of *force majeure*. AusPayNet suggests

further research and investigation be undertaken into how particular communities and sections of society would be impacted by the Bill.

- Whilst the use of cash is in decline, its use as a payment method remains widespread. Operational resilience of the payment system is a key priority for AusPayNet and our members. Despite high levels of resilience, unexpected payment outages can still occur. During this downtime, cash often become the default fall back payment method. AusPayNet would ask that the Bill allow for cash payments when such outages occur, therefore being covered under Section 10 of the Instrument.

AusPayNet would be happy to engage further on any of the issues raised in this submission, or more broadly on the role of cash in the Australian economy. Please do not hesitate to contact Pardeep Grewal, Head of Policy ([pgrewal@auspaynet.com.au](mailto:pgrewal@auspaynet.com.au) or 0408 616 819), if you have any further questions.

Yours sincerely



Andy White

**Chief Executive Officer**

**Australian Payments Network**