

31 January 2024

To the Director
Payments Strategy and Policy Unit
Financial System Division
The Treasury
Langton Crescent
PARKES ACT 2600

To (email): paymentsconsultation@treasury.gov.au

Consultation Paper Response re Winding down Australia's cheque system

Background

The Public Trustee provides trustee, estate management, personal financial management services, will-making services, taxation services, and funds management services. We provide financial and administrative services for eligible South Australians and help those who cannot manage their own affairs and those who have trusted us to assist them.

Use of Cheques

Public Trustee of South Australia on average issued 429 cheques monthly in the last financial year 2022-23. This is 1.09% of the total annual payments processed by the Customer Financial Services branch.

Cheque payments are often used where customers that have mental impairments and for a variety of reasons do not hold bank accounts in their name. In many cases banks have refused to provide bank accounts to these customers due to behavioral issues.

Alternative Payment Methods

Many of the alternative payment methods mentioned in the consultation paper are digital or require access to the intranet. Some of the other payment methods like debit/credit card via in store EFTPOS terminals or online/over the phone or money order (although may require ID from the recipient) may indeed address the limitations. In saying that, with the issuance of debit cards, this can still potentially can get lost by some of our vulnerable customers.

Alternative payment mechanisms will need to exist for vulnerable members of the community that are unable to utilise the internet or to hold bank accounts.

Transition

For the Public Trustee of South Australia's customers still using cheques, plans are underway to transition these to other modes of payment however there will be a cohort of customers where there is currently little alternative but to continue with cheques.

The banking services and support of financial institutions will have play a major role to help current users of personal cheques to safely transition to other alternative payments are banking services and support. This includes Bank@Post services offering basic banking services including cash withdrawals.

Enquiries regarding the above can be directed to:

[REDACTED]

Alan Hoogeveen

Manager, Customer Financial Services

PUBLIC TRUSTEE

ATTORNEY GENERAL'S DEPARTMENT

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