

WINDING DOWN AUSTRALIA'S CHEQUE SYSTEM

I am a 76 year old self-funded retiree. I know how to pay using credit cards, EFT, BPay and Direct Debit, but I use cheques for donating to charities. My main reason for doing so is that I support many charities. I do not want to give about 50 organisations authority to take money from my bank account, in addition to utility companies and private health insurance. Not only would it be very hard to reverse when I die, it would also expose me to a very high risk of my bank details being hacked because so many organisations would have them.

I have a high level of digital distrust because of the huge prevalence of hacks and scams. I will not donate on-line to a charity. I would be willing to use EFT and BPay, but have not done so, because including charities would make my payee lists very long and cumbersome to use. I will continue to use cheques for this purpose for as long as I can. I often need to, at the end of each financial year, chase a charity for a receipt. I can quite easily look in my bank statement to see when a donation cheque has been processed, tell the relevant charity's financial staff, who can then look in their records, find my donation, and then provide the missing receipt.

Although the Treasury Consultation Paper indicates careful thought has been given to finding alternatives to use of cheques, I am concerned that if everything is done digitally, we are exposing ourselves to huge problems in the event of a catastrophic system failure, making it impossible to, e.g. pay settlement on a property on the required date. My 47 year old son recently used a bank cheque for this purpose, because he was anxious about doing the payment electronically.

I wish to speak up on behalf of the many thousands of older people who currently rely on paying with cheques because they are digitally illiterate, struggle with learning something new, don't have access to the internet or devices due to hardship, and/or because they live in rural and remote places.

Even if they become aware of the plan to phase out cheques, and the possibility of having a say through making a submission, they will be unable to do so. I am extremely concerned they will receive woefully inadequate support in making a transition to an alternative, even if they can afford it. It would require one-on-one help from a very well-trained person, and people in remote areas don't even have access to bank staff, because their bank branches have all been closed! For example, for the residents of Coober Pedy, a small town in Outback SA, their nearest bank branch is in Port Augusta – 540km away!

How on earth can a financially disadvantaged older person possibly learn to “Be Connected” through an on-line course when they not only don't know how to go on-line, but they also don't have the devices or access to the internet! They not only will need to be provided with such devices and access, but also with free personal one-on-one tuition to even get them started.

I have the feeling that there is an attitude in our society that all such people will soon die of old age, and that will solve the problem of digital exclusion. However, there will always be people, such as those who are disabled, who will find it extremely difficult to function in a world where there are no alternatives to doing everything on-line and digitally.

Society as a whole will also become very vulnerable to catastrophic system failure, and instances of cyber crime, which could bring our financial system to a grinding halt; with all of our eggs in a very big virtual basket!

Jane L. Brooks

