Australian Retailers Association

National Retail Association

ARA & NRA SUBMISSION
TREASURY CONSULTATION: CASH ACCEPTANCE MANDATE

NOVEMBER 2025

The Australian Retailers Association (ARA) and National Retail Association (NRA) welcome the opportunity to provide feedback on Treasury's consultation on maintaining consumer access to cash through mandatory cash acceptance in supermarkets and fuel retail settings.

The ARA and NRA, which propose to amalgamate to form the Australian Retail Council (ARC), represent a $430 billion sector, and employs 1.4 million Australians – making retail the largest private sector employer in the country and a significant contributor to the Australian economy.

Our membership spans the full spectrum of Australian retail, from family-owned small and independent retailers that make up 95% of our membership, through to our largest national and international retailers that employ thousands of Australians and support both metropolitan and regional communities every day.

With a significant portion of every dollar spent in retail flowing back to employees, suppliers, super funds, and local communities, a thriving retail sector benefits all Australians. After a uniquely challenging five-year period, which has had significant impacts on the sector, we are united in advocating for policies, reform and collaboration that will drive growth, resilience, and prosperity for the retail sector and all Australians.

EXECUTIVE SUMMARY

We support reforms that preserve consumer choice and ensure continued access to cash for purchasing essential goods and services. Although cash use across the economy continues to be in decline, we acknowledge cash remains an important payment method for many Australians, including older Australians, people in vulnerable circumstances, and those living in regional and remote communities.

We also support the proposed small business exemption, recognising that mandating cash acceptance for all retailers would impose disproportionate compliance, cost and safety burdens on smaller operators.

However, a mandatory cash acceptance requirement must be practical, proportionate and safe, supported by a reliable and sustainable cash distribution system.

As drafted, the mandate would place compliance obligations on retailers in circumstances where it may be unsafe or impractical to physically accept, store or remove cash, due to cash-in-transit (CIT) disruption, reduced staffing during late-night trading, or emergency events. The mandate also presumes continued availability of cash distribution services, at a time when the national CIT network is undergoing structural reform and consolidation.

Our primary recommendations are to:

- Clarify the scope so that obligations apply only to public-facing retail premises, not internal staff-only stores.
- Set a $300 transaction limit, reflecting typical weekly household grocery spending.

- Limit the mandate to core trading hours (7:00am–9:00pm) and provide a WHS-based discretion outside these hours.
- Establish codified safe harbours where compliance is temporarily not possible due to CIT disruption, declared emergencies, or essential service outages.
- Condition commencement on the capability of the national cash distribution network, with a six-month education-first transition period.
- Include a statutory review after three years, to assess whether the mandate remains proportionate as cash usage continues to evolve.

These adjustments ensure the mandate supports those who rely on cash without compromising team member safety, operational feasibility, or the sustainability of the cash system itself.

SCOPE AND APPLICATION

The ARA and NRA support the intent to apply the mandate to supermarkets and fuel retailers. However, clarification is required to ensure that the obligation applies only to retail premises open to the general public. Many large retailers operate small-format corporate office stores and restricted-access onsite outlets that are available only to staff. These locations do not provide consumer-facing retail services and therefore should not fall within scope.

The legislation should make clear that the mandate is limited to public-facing retail environments, with accompanying guidance providing illustrative examples for co-located fuel sites, multi-brand properties, and concession arrangements within larger premises. This will help avoid uncertainty and unintended compliance exposure for retailers operating diverse formats.

TRANSACTION LIMIT

The draft proposes requiring retailers to accept cash for transactions up to $500. We recommend a lower threshold of $300. This reflects the typical weekly household grocery spend, which ranges between $213 and $254 depending on household type (CHOICE). ARA members have indicated that over 99% of transactions fall below the proposed $300 threshold.

A $300 limit ensures that consumers can continue to use cash for ordinary purchases, without requiring retailers to hold larger volumes of cash onsite that create avoidable storage, insurance and cash-in-transit burdens. Importantly, a $300 threshold does not prevent retailers from voluntarily accepting larger transactions where appropriate; it simply defines the limit of the mandated obligation. This setting balances consumer access to cash with practical considerations of safety, risk and operational scale.

HOURS OF OPERATION AND WHS

The draft applies the mandate across all trading hours. In practice, the safety environment in retail stores is not uniform throughout the day. Retailers report that the majority of cash-related thefts and robbery incidents occur outside core daytime trading hours, when overall risk factors such as reduced staffing, limited visibility and higher volatility in customer behaviour are more prevalent. These conditions create an elevated safety risk for team members and make cash handling after hours significantly less secure.

Late-night cash handling is therefore a known workplace health and safety risk scenario. The presence, counting and movement of cash during these periods increases the likelihood of harm, and retailers have established procedures to minimise these risks by restricting or suspending cash handling when risk conditions are elevated.

Requiring mandatory cash acceptance after 9:00pm would increase the exposure of team members to these risks. It may also lead some retailers to reduce or withdraw late-night trading altogether, particularly in regional or higher-risk areas. This would run directly counter to the policy intent of ensuring continued access to essential goods and services.

Aligning the mandate to core trading hours, such as 7:00am to 9:00pm, reflects the periods in which the overwhelming majority of cash transactions already occur and in which cash handling can be carried out safely and reliably. Outside these hours, retailers should retain WHS-based discretion to limit cash acceptance where this is necessary to protect team members.

EXEMPTIONS AND CODIFIED SAFE HARBOURS

The exposure draft relies on ACCC case-by-case exemptions to address circumstances in which retailers are temporarily unable to accept cash. This approach does not reflect the realities of supermarket and fuel retail operations. The situations in which cash acceptance becomes unsafe or impractical, such as CIT disruption, declared emergencies, localised community safety incidents, or critical systems outages, typically emerge rapidly and without notice, requiring immediate operational decision-making at the store level.

CIT disruption is not hypothetical. Retailers experience missed or cancelled collections due to workforce shortages, routing failures, industrial disruption, weather events, and suspended regional servicing. When CIT cannot remove cash, stores can quickly accumulate levels that exceed safe storage limits, increasing robbery risk and conflicting with workplace health and safety duties. Under the draft, retailers would still be required to accept cash in these circumstances until a formal exemption is granted, a process that may take considerable time and is not compatible with the immediacy of the risk.

Similar concerns arise in contexts of heightened community safety risk, such as those observed in high crime areas. These risks are well understood operationally, and retailers have long-standing internal protocols to reduce exposure during high-risk trading periods, including modifying cash handling, adjusting physical till exposure, or securing cash earlier in the evening. In these environments, retailers must be able to respond immediately where reduced staffing, limited visibility, or elevated aggression create an increased threat of harm. The exemption process in the exposure draft does not permit the real-time WHS decision-making required in these circumstances.

There is also a dependency on digital and security infrastructure. Safes, surveillance, alarm systems, POS software and CIT scheduling platforms depend on reliable telecommunications. A cyber or network outage may make it unsafe to secure or remove cash even if card payments remain operational. Retailers must be able to act instantly in such situations; waiting for an exemption is not feasible.

For these reasons, the mandate requires defined, automatic safe harbours that pause compliance obligations where specific factual conditions exist. This should include:
- CIT unavailability or service interruption
- Declared emergency or evacuation order
- Documented WHS risk or threat environment
- Critical security or systems outage affecting the ability to secure cash

Under this model, retailers would be required only to record and document the basis for activating the safe harbour. This provides an auditable decision trail, maintains regulatory integrity, and ensures that retailers are not exposed to enforcement risk for circumstances arising beyond their control.

Codified safe harbours provide immediate, short-term WHS and operational certainty in defined disruption scenarios. These do not replace the ACCC's exemption powers; rather, the ACCC should continue to grant individual or class exemptions where circumstances fall outside those conditions or where longer-term, location-specific or network-wide relief is required.

CASH-IN-TRANSIT NETWORK SUSTAINABILITY

The effectiveness of a cash acceptance mandate depends on the capacity and stability of the cash-in-transit network. Retailers can only accept and hold cash safely if there is a reliable system to remove, transport and deposit it. Where CIT collections are delayed or unavailable, cash can accumulate in-store above safe storage thresholds, creating heightened robbery and aggression risk and conflicting with workplace health and safety duties. In these circumstances, retailers cannot comply with a mandatory acceptance requirement, even where they are willing to do so.

If Government is mandating cash acceptance, then Government must also ensure that the infrastructure required to support cash handling remains viable. Similarly, we would wish to see the Government develop commensurate obligations for banks and ATM operators to continue to provide cash out facilities to their customers. The commencement and ongoing operation of the mandate should therefore be linked to a confirmed, sustainable CIT operating model, monitored jointly by Treasury and the Reserve Bank, with specific consideration of regional and remote servicing continuity.

COMMENCEMENT AND TRANSITION

While major retailers already accept cash, the introduction of a legislative mandate requires clear guidance, shared understanding of safe-harbour settings, and stability in supporting infrastructure. A modest deferral of commencement would allow these elements to be finalised in a coordinated manner.

We support the Government's intent to introduce a six-month non-compliance period following commencement of the mandate. This transition period should be used to facilitate an education-focused rollout for retailers, ensure consumers are aware of their rights, and provide a pathway for implementation that reduces the risk of early compliance uncertainty.

REVIEW CLAUSE

Cash usage patterns continue to evolve as digital payments become more widely adopted. It is therefore necessary to review the mandate periodically to ensure it remains proportionate to consumer need and operational feasibility.

A three-year statutory review should examine cash usage trends, workplace safety impacts, CIT sustainability, and the distribution of compliance burden across business types and regions. The mandate should be capable of amendment or sunset if these factors materially change.

CONCLUSION

The ARA and NRA support ensuring that Australians who rely on cash can continue to access essential goods and services. With refinements to scope, thresholds, operating hours, safe-harbour settings and system dependencies, the mandate can achieve this objective safely and sustainably, without placing retailers in breach due to factors outside their control.

Thank you for the opportunity to comment on Treasury's consultation on cash acceptance. We welcome continued engagement with Treasury as the framework, guidance and implementation approach are finalised. Any queries regarding this submission can be directed to our policy team at policy@retail.org.au