

21 October 2022

Mr Bruce Mikkelsen
A/g General Manager
Competition Exemptions
Australian Competition and Consumer Commission

via email: ArmaguardProsecur-Merger@accc.gov.au

Dear Mr Mikkelsen,

Thank you for the opportunity to comment on the proposed Armaguard Prosecur Merger. We have also shared the ACCC's letter with our membership so that interested members can provide comment individually.

The Australian Retailers Association (ARA) is the oldest, largest and most diverse national retail body, representing a \$400 billion sector that employs 1.3 million Australians and is the largest private sector employer in the country. As Australia's peak retail body, representing more than 120,000 retail shop fronts and online stores, the ARA informs, advocates, educates, protects and unifies our independent, national and international retail community.

We represent the full spectrum of Australian retail, from our largest national and international retailers to our small and medium sized members, who make up 95% of our membership. Our members operate across all categories - from food to fashion, hairdressing to hardware, and everything in between.

The ARA agrees with much of the evidence set out in the merger application. Cash transactions in retail have declined significantly since the COVID-19 pandemic and are highly unlikely to return to pre-pandemic levels.

However, there is still customer demand for cash transactions, particularly among lower income households¹ and retailers rely on Cash-in-Transit (CIT) services provided by both companies and others in the market.

We therefore urge the ACCC to ensure that the proposed merger does not lead to any long-term decrease in service provision or increase in prices for these services; understanding that in the short-term the industry is undergoing significant change due to increasing costs and this merger application reflects that.

It is also critical that Australia continues to have a safe, secure and reliable cash distribution service and so if a merger(s) is necessary to ensure that those providing the service have a sustainable business model, the ARA would support that outcome.

Yours sincerely,



Paul Zahra
Chief Executive Officer

¹ [RBA Consumer Payments Survey 2019](#)