



25 July, 2024

Mr Tony Hilton
Director | Competition Exemptions
Australian Competition & Consumer Commission
Level 1 | The Quadrant, 1 William Street Perth

Dear Mr Hilton

RE: THE AUSTRALIAN BANKING ASSOCIATION (ABA)'S APPLICATION FOR FINAL AUTHORISATION – FUNDING AND OTHER SUSTAINABILITY MEASURES (AA1000674) AND BUSINESS CONTINUITY MEASURES (AA1000664)

On 7 June 2023, the Government released the *Strategic Plan for Australia's Payments System*, which highlighted the important role cash still plays in our payments system and the Government's support for Australians having continued access to cash. The Government has committed to working with the relevant agencies across the public sector and with industry to ensure that Australia has a sustainable cash distribution network that maintains adequate access to cash.

Although cash use has declined in recent decades, it is still a key part of Australia's financial system and is relied upon by many in the community. Declining cash use has contributed to growing financial pressure for cash-in-transit operators, raising concerns for the sector's long-term sustainability. It is important that the industry continues to work together to resolve these issues.

The provision of financial support from industry to Armaguard is important in alleviating the immediate financial pressures in the sector.

We note the Australian Banking Association have amended their application for authorisation regarding the industry's collaborating on business continuity planning (AA1000664) to include more participants and note their application is now more widely supported across the industry.

Treasury is supportive of the ACCC's focus to ensure that industry-led discussions and proposals for the cash system are representative of all industry participants, as well as the

ACCC's focus on ensuring that cash continues to be available in Australia's remote and regional areas.

Treasury is closely monitoring the work of the cash-in-transit sector having observed the industry roundtables conducted by the Reserve Bank of Australia and participated in the sector's business continuity planning and long-term distribution model working groups. Treasury will continue to be closely involved in future industry roundtables and working groups.

Sincerely,



Brenton Philp
Deputy Secretary
Markets Group
Treasury