



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

26 June 2026

Mr Tony Hilton
Director Competition Exemptions
Australian Competition and Consumer Commission
23 Marcus Clarke Street, Canberra ACT 2601
GPO Box 3131
Canberra ACT 2601
Email: exemptions@acc.gov.au

Dear Mr Hilton

Australia and New Zealand Banking Group Limited and Others (Commercial Cash Distribution) application for authorisation AA1000729 and notification of acquisitions – Interest party consultation

The Australian Small Business and Family Enterprise Ombudsman (ASBFEO) welcomes the opportunity to make a submission to the ACCC on the proposed commercial cash distribution arrangement by Australian and New Zealand Banking Group Limited and others.¹

The ASBFEO supports measures that help ensure the ongoing sustainability and viability of commercial cash distribution in Australia. However, it is essential that any new arrangements include appropriate safeguards so that small businesses, particularly those in regional and remote areas, do not experience reduced access to cash services or increased costs that could affect their ability to operate.

As outlined in our 2024 submission, reduced access to cash deposit and withdrawal services in regional areas increases transaction costs, reduces economic activity and diminishes the ability of regional small businesses to compete. Decisions to close bank branches and ATMs, particularly where there is limited community consultation, can also contribute to perceptions of inequity among regional customers.

The critical role of cash for small business

The *Wholesale cash joint venture* report prepared by Frontier Economics notes the long-term decline in the use of cash and suggests electronic payments can act as a substitute for cash. While this may be a reasonable assumption in metropolitan areas, it does not fully reflect the operating environment for many small businesses in regional and remote areas.

Cash continues to play an important role for these small businesses, particularly where telecommunications infrastructure is limited or vulnerable to disruption. Natural disasters, including cyclones, floods and bushfires can significantly disrupt digital payments by affecting connectivity and power supply. In these circumstances, access to cash becomes essential for maintaining business continuity and enabling households to purchase essential goods and services such as fuel and food.

¹ Australian Competition and Consumer Commission, *Australia and New Zealand Banking Group Limited and Others (Commercial Cash Distribution)* (Public Register, ACCC), accessed 4 June 2026.



More than 30% of small businesses operate in regional (non-metropolitan) areas, where reliance on cash remains high.² The Reserve Bank of Australia's 2025 Consumer Payments Survey found that 15% of payments (by number) were made in cash in 2025, compared with 13% in 2022, and that regional respondents were more likely to use cash than those living in capital cities. The RBA survey also highlighted that small businesses face increasing difficulties in accessing and depositing cash where convenient banking services are no longer available.³

At the same time, the decline in bank branches and bank-owned ATMs has reduced the number of cash access points. This reduction may reinforce apparent declines in cash usage by limiting access, rather than reflecting a genuine reduction in demand.

Balancing sustainability and access

The ASBFEO recognises that cash-in-transit providers have indicated that the current delivery model is not sustainable. This creates a genuine need to consider new arrangements that support a viable and efficient cash distribution system, that includes the needs of small businesses and households in regional and remote areas of Australia.

While the proposal may be similar to current arrangements, it introduces a different ownership and delivery model. The establishment of JVCo as a jointly owned provider consolidates ownership across the four major banks, moving from a single-provider arrangement to a model where responsibility is shared across participating institutions.

In this context, it will be important that any authorisation operates alongside, and is supported by, an appropriate regulatory framework, including proposed legislative measures governing cash distribution to ensure that service-level expectations for regional and remote customers are maintained.

Moreover, this proposal should be considered alongside the declining regional banking infrastructure. Without appropriate safeguards, there is a risk that efforts to improve commercial efficiency could have unintended consequences for regional and remote communities, where service delivery is more costly but remains essential to economic participation.

Recommended ACCC authorisation conditions

The ASBFEO supports the proposal but to protect competition, access and affordability for small businesses, we recommend that the ACCC attach conditions to the arrangement that require:

- the ACCC to actively monitor market impacts of the proposed arrangement, with particular attention to pricing outcomes and services access for small businesses in regional and remote areas, supported by transparent reporting, and
- the ACCC to undertake a periodic review of the authorisation and ownership structure.

² Australian Bureau of Statistics, Regional Population 2021-22.

³ MacGibbon K, Royters M and Wang F, 2026, *Cash use in Australia: what the 2025 Consumer Payments Survey Tells Us*, Reserve Bank of Australia



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If you require any further information, please do not hesitate to contact the Policy and Advocacy team via email at advocacy@asbfeo.gov.au.

Yours sincerely

Lynda McAlary-Smith

Australian Small Business and Family Enterprise Ombudsman