

28 October 2025

Retail Banking and Currency Unit
Banking and Credit Branch
The Treasury

Via Treasury website

Competition and Consumer (Industry Codes—Cash Acceptance) Regulations 2025 Exposure Draft

The Customer Owned Banking Association (COBA) welcomes the opportunity to respond to the *Competition and Consumer (Industry Codes—Cash Acceptance) Regulations 2025 Exposure Draft* ("Exposure Draft Regulations"), released for comment on 17 October 2025.

COBA is the industry association for Australia's customer-owned banks (mutual banks and credit unions). Collectively, our sector has over \$185 billion in assets and is the fifth largest holder of household deposits.

COBA welcomes the approach taken in the Exposure Draft Regulations for the implementation of the cash acceptance mandate. This approach addresses areas of community concern over their ability to use cash for essential purchases, while also addressing concerns over creating what would have been a complex and burdensome regime. We would agree with the Minister for Financial Services that this latest approach is balanced, practical and sensible.

The Explanatory Statement further notes the recent consultations of the Council of Financial Regulators on the regulation of cash distribution and the RBA's Review of Merchant Card Payment Costs and Surcharging. In addition, there has been the development of the Armaguard Independent Pricing Mechanism, which will soon be subject to a consultation process led by the ACCC. COBA remains actively involved in these various consultative processes and will continue to advocate for a competitive card payments regime and fair cash distribution system that provides consumers and businesses with genuine payments choice and on-going access to cash.

Thank you for taking the time to consider our submission. We look forward to continuing our engagement with the Treasury on this and other important issues. If you wish to discuss any aspect of this submission, please contact Alexander Woloszyn, Policy Manager (awoloszyn@coba.asn.au) or Dr. Brad Pragnell, Head of Strategy (bpragnell@coba.asn.au).

Yours sincerely



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