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APCA releases new report on cheques and the digital economy

The Australian Payments Clearing Association, the payments industry self-regulatory body, released today the second Milestones Report on the transition of Australian payments to the digital economy.

Today's report shows that the rapid decline in cheque use is continuing as electronic alternatives become more convenient. Figures from the Reserve Bank of Australia show that for the year to June 2013, cheques use dropped 13.3% – down from 241 million to 209 million. This compares with a 12.5% drop for the year to December 2012.

APCA CEO Chris Hamilton said “When it comes to Australian payments, we are on the bridge to the digital economy. Our findings in 2012¹ predicted the irreversible decline of cheques. Recent trends suggest that they will be a rarity within five years. The pace of decline reflects the increasing uptake of convenient electronic payments.”

Today's Report highlights the initiatives undertaken by financial institutions and Government to ensure a smooth transition to the digital economy for those that still rely on cheques. It notes that:

- Same-day settlement for direct entry payments, which was introduced in November 2013, will support faster movement of value in routine electronic payments.
- The use of mobile phones for payments, in particular for online banking, is growing.
- APCA is coordinating a digital cheque clearing strategy to increase efficiencies in the cheque processing system.
- The industry is developing new real-time payments infrastructure which will improve electronic payments and provide another alternative to cheques.
- Initiatives to automate paper-based processes, such as SuperStream for superannuation payments and PEXA for electronic property exchange in the real estate industry, have made significant advances.

“Towards the Digital Economy: Milestones Report” – Second Report is available at apca.com.au.

[Milestones Reports](#) are released twice a year to review progress against the action plan published by APCA in May 2012². The next milestones report is due for release in mid-2014.

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¹ “The Decline of Cheques: Building a Bridge to the Digital Economy” is available at www.apca.com.au

² See “The Decline of Cheques: Building a Bridge to the Digital Economy”