

MEDIA RELEASE



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Cheques continue to decline: APCA releases progress report on transition of Australian payments to the digital economy

The Australian Payments Clearing Association, the payments industry self-regulatory body, released today the first in a series of planned reports on transition of Australian payments to the digital economy as part of an industry action plan to manage the decline of cheques.

Today's report entitled "Towards the Digital Economy: Milestones Report" shows that cheque use in Australia continues to decline rapidly. Figures from the Reserve Bank of Australia show that for the year to 31 December 2012, cheque use dropped 12.5% – down from 256 million to 224 million. Over the past decade, cheque use has dropped by 66%. This decline is consistent with international trends.

APCA CEO Chris Hamilton said "Assuming current trends continue, by 2018 cheques are likely to be a rarity. Our report is about making sure no Australians are left behind when that happens."

Today's report reviews progress against the action plan released by APCA in May 2012¹ to ensure businesses and consumers that still rely on cheques are able to switch to electronic payments as cheques become scarcer and inevitably more difficult to use.

The Report highlights initiatives and actions being undertaken by financial institutions, government and other stakeholders to provide alternatives to cheques and improve access to the digital economy including:

- roll-out of the National Broadband Network and associated education programmes
- implementation of a nationwide electronic and property settlement system through National E-Conveyancing Development Limited
- industry development of new real-time payments infrastructure
- education programmes to promote online banking and use of mobile phones for payments
- review of legislation that refers specifically to payment by cheque or cash only.

"We have consulted publicly on cheques and there has been significant effort to engage government and other stakeholders on managing cheque decline. Today's report shows good progress in implementing the resulting Recommendations and Commitments," said Mr Hamilton.

"Towards the Digital Economy: Milestones Report" is available at apca.com.au. APCA plans to release the next milestones report around the end of 2013.

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