

MEDIA RELEASE



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The Rise of Digital Payments

The [Milestones Report](#)¹ released today by the Australian Payments Clearing Association, the payments industry self-regulatory body, shows that the growing digital economy is accelerating the decline in cheque use.

Today's report shows that Australians used 16.3% fewer cheques in 2015 than 2014. This compares to a 14.3% drop in 2014. Over the last 10 years, cheque use has dropped by a compelling 71%.

Cash use also continues to decline, with the number of ATM withdrawals down by 5.5% in 2015 having dropped 4.7% in 2014.

Australian businesses and consumers are increasingly choosing to use electronic payments in place of cheques and cash. Cards and other electronic payments continued to grow strongly in 2015:

- Direct entry transactions were up 6.3% in volume and 3.5% in value
- Card payments were up 11.1% in volume and 6.8% in value

APCA CEO, Chris Hamilton said "The decline in cheque use is a global phenomenon, but we are seeing a faster drop than many other countries."

According to the latest Business International Settlements report, between 2010 and 2014 cheque use dropped by 42.1% in the United Kingdom, 22.6% in Canada and 20.5% in France. This compares to 42.8% in Australia.

Providing context for the sustained growth of digital payments, the report highlights that:

- Australia is fifth in the world for smartphone banking uptake
- 86% of Australian households have internet access
- 72% of home internet users access banking services
- Online retail continues to grow, up by 11.2% to \$19.1 billion in 2015

"Our lives are increasingly digital and as more services in both the public and private sector move online, it follows that Australians will choose digital payment methods."

"We are seeing significant innovation in the field of payments currently and the industry's New Payments Platform - designed to support fast, flexible data-rich payments - provides important infrastructure for future evolution", said Mr Hamilton.

Today's Milestones Report provides updates on industry and government initiatives to support this evolution including:

- Progress on the Australian Payments Council's initiatives set out in the Australian Payments Plan
- Electronic conveyancing for property settlement through the PEXA service
- The Government's SuperStream for the superannuation system

The Milestones Report and accompanying infographic are available at www.apca.com.au.

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¹ APCA releases regular Milestones Reports to review progress against the action plan it published in May 2012.

See "[The Decline of Cheques: Building a Bridge to the Digital Economy](#)"

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