6 November 2025

Director Retail Banking and Currency Unit
Banking and Credit Branch
The Treasury
Langton Crescent
PARKES ACT 2600
CashAcceptanceConsultation@treasury.gov.au

Dear Sir/Madam,

ACAPMA Submission on the Competition and Consumer (Industry Codes—Cash Acceptance) Regulations 2025

This paper constitutes a submission by the *Australasian Convenience and Petroleum Marketers Association (ACAPMA)* to Australian Treasury's Exposure Draft of the *Competition and Consumer (Industry Codes—Cash Acceptance) Regulations 2025.* This submission follows a consultation meeting undertaken with ACAPMA on Monday 27 October 2025.

ACAPMA recognises the importance of ensuring consumers have access to cash-based transactions, particularly in times of crisis and for vulnerable community members. However, the introduction of a cash mandate must be carefully assessed against the operational realities of fuel retail businesses and the diversity of fuel retail operations, particularly in regional and rural Australia.

ACAPMA supports the underlying objective of ensuring continued access to cash transactions, acknowledging that cash remains essential for fuel and grocery staples, particularly in the aftermath of natural disasters when electronic payment systems may be unavailable.

This submission will outline areas that should be considered in regard to the implementation of cash mandates. This submission will focus on the following issues:

- The importance of cash in fuel retailing
- Bank availability
- Cash in transit costs
- Safety and security
- Amount limits
- Unmanned fuel stations
- Exemptions
- Excessive penalties
- Application and review

1. About ACAPMA

The Australasian Convenience and Petroleum Marketers Association (ACAPMA) is the national peak body representing the interests of the petroleum distribution/wholesaling

and the petrol-convenience retail industry. These two industry sectors generated annual revenues of around $101.5B in FY24 and employed an estimated 51,000 Australians, working in around 4,400 businesses.

ACAPMA is first and foremost an employer organisation that is formally recognised under Australian law as the *industrial advocate* for fuel marketing and fuel distribution businesses. First established in 1976, the Association started operations as the Australian Petroleum Agents and Distributors Association (APADA) and subsequently changed its name to ACAPMA in 2007. The name change was accompanied by a change in the Association's Constitution to incorporate national representation of fuel retailers.

Today, the Association directly represents 95% of fuel distributors/wholesalers in the country and directly and indirectly (via franchisees and distributor-owned retailers) around 5700 of the 8100 service stations (i.e. 70%) operating in Australia.

The scope of ACAPMA's membership extends from the 'refinery gate' through to the forecourt of Australia's national network of service stations and petrol convenience outlets – including fuel importation, fuel wholesalers, fuel distributors, fuel retailers, petroleum equipment suppliers, and petroleum service providers.

ACAPMA's member businesses range from Australian-owned subsidiaries of international companies to large Australian-owned businesses, to independently owned mid-cap Australian companies, and small *single retail site* family-owned businesses.

Given the diversity of our membership base, ACAPMA strives to assemble an aggregate *whole-of-industry* perspective on key public policy and market regulation - with a view to providing policymakers and regulators with meaningful industry insights that are directly relevant to issues under consideration.

Given the wide variance in the market propositions (and market presence) of individual market participants, ACAPMA's aggregate *whole-of-industry* perspective should not be taken as necessarily being wholly representative of the position of any individual fuel retailer.

It is therefore possible that one or more of ACAPMA's members may have an individual enterprise position that varies markedly from the one presented in this paper.

2. The importance of cash in fuel retailing

As a general principle, fuel retailers' welcome cash as part of their businesses and so have no broad objection to the cash mandate. However, it should be acknowledged that there are some challenges with cash and that there are different operating models in the retail fuel sector.

The Australian Fuel retail industry comprises more than 3,700 businesses operating an estimated 8,162 retail sites across Australia, with most of these businesses being small to medium business.

ACAPMA estimates that cash (and fuel cards) account for around 31% of petrol transactions and 43% of diesel transactions that occurred in the national market during FY24. It is important to note, however, that a significant portion of these transactions (particularly in terms of diesel purchases) will be fuel-card related transactions.

Although cash transactions remain important, its use is in decline. Cash transactions account for an average of 12% to 16% of total transactions in metro areas and between 25% and 35% in rural and regional areas.

Service stations require access to cash services at scale, including the ability to manage substantial cash floats and conduct banking activities outside of normal business hours.

3. Banking availability

It has been estimated there have been over 2,000 bank branch closures since 2017 with many of these closures occurring in rural and regional communities.

There are numerous consequences that flow from these closures, including increased banking costs for businesses as they are forced into banking with multiple banks if they have a presence across several towns and cities.

During consultation with ACAPMA members in preparation of this submission, one member reported that they have a fuel outlet in a town that does not have a single bank branch. The staff at this store must travel with cash in their own vehicles hundreds of kilometres to do their banking.

4. Cash in transit costs

Regional businesses face higher per-unit costs for CIT services compared to metropolitan businesses and the availability of affordable CIT services in regional areas is declining.

Where services do exist, costs have increased substantially, making cash management more expensive for businesses. Unfortunately, there does not seem to be a ready solution to this ongoing situation.

5. Safety and security

As mentioned above, some fuel retailers are requiring they staff to transport cash in private vehicles to banks located in some cases hundreds of kilometres. While this is an extreme

example, it is nevertheless common for retailers and their staff to transport cash. This is also linked to the CIT issue mentioned above.

It should also be kept in mind that by limiting the cash mandate to supermarkets and fuel retailers, people could see then as an attractive target for robbery and thefts. This goes to the broader issue of safety for frontline retail workers and potentially placing them in greater danger and the associated costs to business of providing heightened security measures.

6. Amount limits

Consideration should be given to the $500 cash limit to be reduced in certain times such as during emergencies, natural disasters, or outages. These times could see a 'rush' on cash, and it should be at the discretion of the retailer to set a lower limit on cash transactions to say, to $100 for regular fuel and $200 for diesel which is still above the average transaction value for these grades of fuel.

For example, this could be in a situation where a river has burst its banks overnight and a town has flooded. For the period the town is subject to flooding, retailers should be extended the discretion to impose temporary limits on transactions, regardless of method of payment, to conserve fuel and essential supplies as well as cash on hand.

If retailer discretion is not to be permitted, ACAPMA would strongly recommend that the ACCC be able to grant exemptions to retailers in circumstances described above. It would be extremely important that the process for assessing and granting exemptions be undertaken quickly, particularly in times of natural disasters.

7. Unstaffed fuel stations

There are two distinct types of unstaffed fuel stations. The first are in rural and regional areas where they largely dispense diesel and service the commercial freight, agricultural, mineral and resources sectors. The second type of unstaffed fuel stations are the relatively new unstaffed metropolitan fuel stations that sell diesel and unleaded fuel direct to consumers.

Regional Australia presents a challenging and unique fuel retailing operational environment. This model is vital to regional and remote Australia as they provide 24/7 access to fuel in locations where traditional, staffed service stations are often not viable.

The flexibility and innovation shown by these operators is central to supporting communities and key industries such as agriculture, transport, and emergency services. This proposed cash mandate may also have unintended negative consequences for fuel security across regional Australia.

There are significant operational, financial, and safety issues associated with mandating cash acceptance at unstaffed fuel sites. Technology for integrated pay at pump cash payments processing has not yet been developed as an off the shelf solution.

Even if this technology is available, installing and maintaining secure cash-handling infrastructure in remote locations is a major challenge and would introduce substantial costs. It would also increase security risks for staff and contractors and could potentially jeopardise the viability of essential services in isolated areas.

Industry has invested heavily in secure, technology-driven payment solutions which provides convenience and consumer protection. The account-based systems and mobile payment platforms are designed to meet the needs of both business and retail customers and reduce operational risks. Mandating cash acceptance at unmanned sites could undermine these technological advances.

The metropolitan consumer focussed fully self-serve unstaffed stations are designed to cater to the low-cost segment of the market. These sites are not intended to replace existing retail operating models, but rather to offer a more affordable option for customers.

It is highly possible that if these sites were not unstaffed, they would be closed on a permanent basis as they would not be viable under the traditional trading model. As such, these unstaffed sites drive greater competition in the retail fuel market.

In relation to consumer information, the NSW and Queensland Fuel Check lists these unmanned sites as ‘self-serve’ which indicates they are not a normal fuel station, and the Victorian government’s Services Victoria app which lists fuel prices will also soon describe these sites as ‘unmanned’ so consumers can make fully informed purchasing decisions.

8. Exemptions

There needs to be flexibility in the application of exemptions. Exemptions should be able to be applied on a site specific, local area, and business wide basis. The application and granting of exemptions should be considered in the context of minimising administrative burdens, costs, and the ability to respond to quickly changing circumstances.

A process needs to be implemented which would allow for businesses to be able to apply and have fast determinations made on their application for exemptions. This would be especially important in times of natural disasters, emergencies, and events such as outages.

Alternatively, if a state declares an emergency under their respective Emergency Management Acts, or if the Commonwealth declares a National Emergency, the cash mandate is suspended until the event has passed.

In the case of unstaffed fuel stores, the cleanest way for this to be expressed would be to declare that unstaffed fuel retail stores are exempt from the cash mandate. This wording would also capture fuel stores that may be moving to a hybrid model where they operate

with staff from say, 5am – 9pm, and then from 9pm – 5am, they close the store itself, keep the fuel pumps operating but payment can only be made by card.

However, if this is not considered acceptable, then business wide exemptions from the cash mandate should be granted. It would be an unnecessary administrative and cost burden for the operators of unstaffed stations to have to apply for an exemption for every individual site they operate. If operators were required to apply for an exemption for each fuel site, one of our members would have to apply for well over 100 individual exemptions for their sites.

Importantly, these business wide exemptions should also be made on a permanent basis rather than on a time-limited basis.

9. Excessive penalties

The proposed civil pecuniary penalty of 600 penalty units, or $200,000, may be appropriate for a large supermarket operator, but it would be exceedingly excessive for a small family owned fuel station in regional Australia.

10. Application and review

ACAPMA welcomes that there will be a six month transition period before penalties will be applied. ACAPMA does however believes there should be a review of the mandate after two years, and a further consultation on the cash mandate when prior to the sunsetting of the ACCC's Authorisation on 30 June 2026.

11. In conclusion

ACAPMA is committed to collaborating with policymakers to develop solutions that support consumer choice while ensuring the long-term sustainability of fuel retail businesses across Australia.

We thank Treasury for extending the time period for the lodging of submissions to the Exposure Draft which allowed us to seek meaningful consideration and feedback from our wide membership base.

Should you require clarification of any of the material provided in this report in the meantime, please contact me on 0419 133 139 or by email via rowan@acapma.com.au.

Yours sincerely

Rowan Lee
Chief Executive Officer