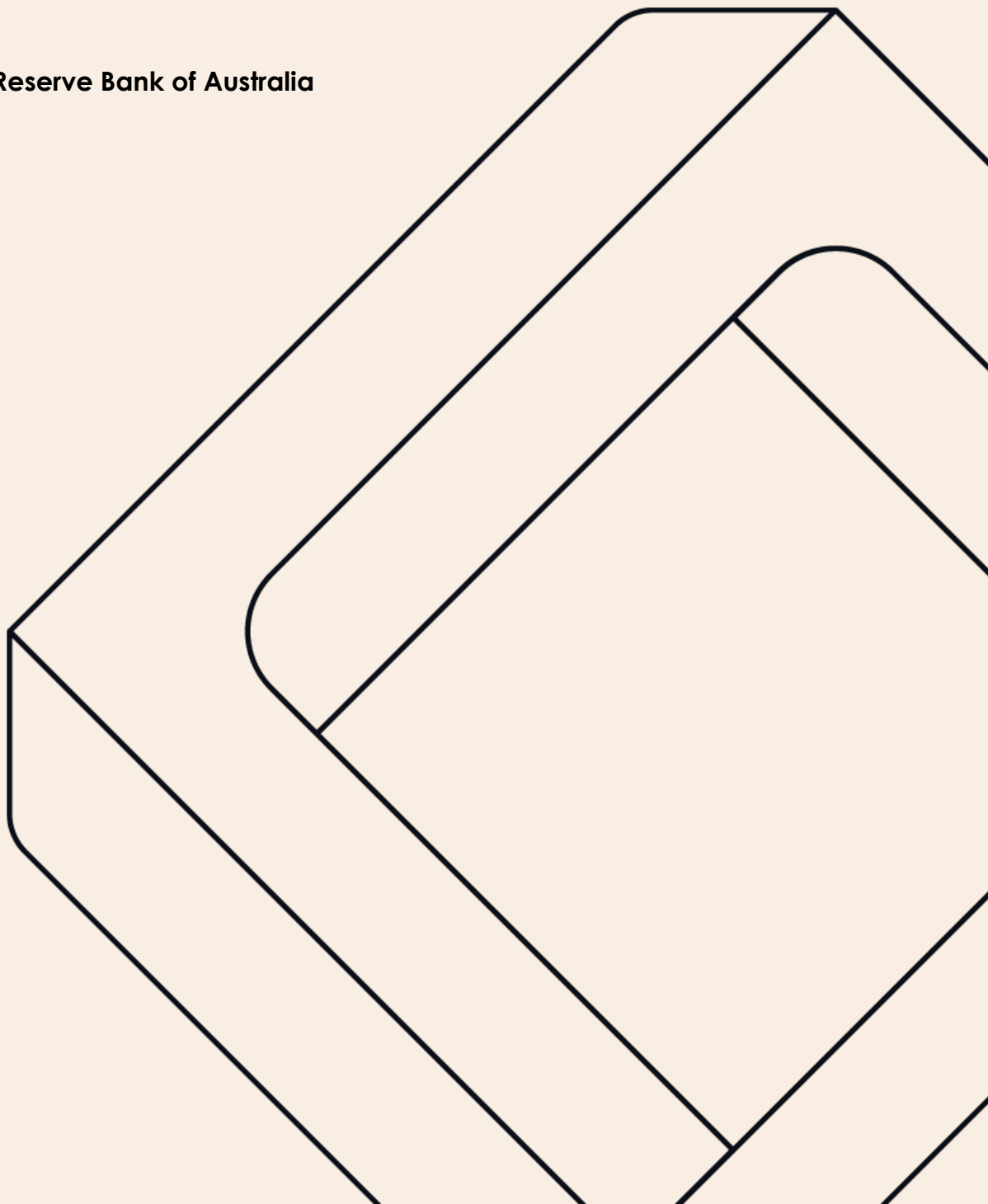


Public Consultation - Unmet Payment Needs and Digital Money

Report

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01

Executive Summary

The Reserve Bank of Australia (RBA) and Australian Treasury are exploring whether there is a public interest case to introduce a retail Central Bank Digital Currency (CBDC) to complement physical cash. To inform this work, Verian was commissioned to consult the public on their needs, preferences and concerns regarding digital payments. This report presents the findings from 33 focus groups conducted between February and July 2026 with Australians from the general community and targeted audiences. These included people with disability, Aboriginal and Torres Strait Islander peoples, new migrants, and small merchants, whose payment needs and experiences may differ from the broader population.

Overall takeaways

- The consultation provides evidence that the payment needs of the Australian community are generally being met. The issues identified related primarily to frictions in the way existing payment services are delivered and used, rather than fundamental shortcomings in the payments system itself.
- Views on the potential future introduction of a retail CBDC (referred to in the focus groups as a digital Australian dollar) were largely neutral or indifferent, reflecting that participants generally did not identify a clear use case or compelling advantage over existing payment methods.

Key findings

- Trust in money and payment systems is shaped less by whether they are physical or digital, or government or privately issued, and more by a combination of familiarity, perceived reliability and stability, control over use, perceptions of safeguards, and personal experience.
- The Australian community's payment needs are largely being met, often through use of multiple payment methods that each provide different benefits.
- Cash continues to play a unique role within the payment ecosystem despite declining use, because it provides attributes such as tangibility, resilience, privacy and control that are not fully replicated by digital alternatives.
- Interest existed in two potential features of digital money – enhanced privacy and offline capability. However, enthusiasm for both features was moderated by the perception that they would address relatively limited unmet needs and may unnecessarily add complexity to an otherwise well-functioning payment system.
- Reducing cognitive burden, improving accessibility and maintaining access to human support were viewed as higher priorities, particularly among people with disability. The findings suggested that accessibility benefits are unlikely to arise organically from new payment technologies so would need to be intentionally designed into any future solution.
- Across the consultation, many struggled to understand the retail CBDC concept and how it would differ from payment methods already available. Concerns tended to outweigh perceived benefits and centred on the lack of a clear use case, uncertainty regarding costs to develop and use, privacy implications and government oversight. Participants raised concerns about the practicalities of implementation such as whether customers and merchants would need to register, establish new accounts, and how they would integrate the system with how they currently transact. Participants also raised concerns about the possibility that it could lead to the decline of physical cash.

- Any new payment system would need to integrate seamlessly with merchants' existing point-of-sale systems, accounting software and business processes. Features alone were not considered sufficient to drive uptake if they introduced additional complexity or effort.

Overall, the findings suggest that any future form of digital money would need to offer clear benefits beyond existing payment options, while preserving the trust, resilience, privacy, accessibility and control Australians value across the payments ecosystem.

02

Introduction

1. Background and objectives

1.1. Background to the public consultation

Like their counterparts overseas, the Reserve Bank of Australia (RBA) and Australian Treasury are exploring whether there is a public interest case to introduce a retail Central Bank Digital Currency (CBDC) and, if so, in what form. A retail CBDC would be a digital version of banknotes issued by the RBA, which would complement, not replace, the circulation of physical currency in the form of notes (and coins). It would be available for use by all consumers and businesses for retail transactions¹.

To comprehensively explore this question, the RBA and Treasury are pursuing a multi-faceted work program. Through work completed to date, the RBA and Treasury identified the need to engage with the public in order to better understand the public's needs, preferences and concerns regarding retail payments and retail CBDC. Independent research and evaluation consultancy Verian Group Australia (Verian) was commissioned in mid-2025 to complete this work which makes up part of the larger body of work related to retail CBDC.

1.2. Objectives of the public consultation

The public consultation was designed to answer the following questions:

1. What factors shape trust in different forms of money?
2. To what extent are the needs of the public being met by the current payment system?
3. Do the potential features of digital money address Australians' payment needs or create new opportunities?
4. What are the perceived concerns, benefits and overall attitudes to a potential retail CBDC?

Assessment of whether further research into retail CBDC is warranted, will be addressed in a separate RBA paper informed by findings from the public consultation.

¹ By retail transactions we mean payments between consumers, businesses, and public authorities, typically for everyday purposes. In contrast, wholesale transactions are those that occur between financial institutions and are of high value.

2. Consultation method overview

The consultation utilised a focus group methodology comprising of:

- 20 focus groups conducted across Australia between 9 and 26 February 2026, with a broad cross-section of the Australian public.
- 13 additional targeted focus groups conducted between 29 April and 2 July 2026. These sessions were included to capture feedback from audiences not well represented in the general community sessions, but anticipated to have potentially unique needs and perspectives in relation to digital payments. These audiences received some consistent and some different lines of questioning.

Across the sessions, a total of n=239 Australians were consulted.

2.1. Face-to-face focus group locations

Pins show locations where face-to-face focus groups were held. Online focus groups are not represented on the map.



Metropolitan



- Sydney, NSW
- Melbourne, VIC
- Brisbane, QLD
- Adelaide, SA
- Perth, WA
- Canberra, ACT

Regional



- Darwin, NT
- Launceston, TAS
- Townsville, QLD
- Mildura, VIC
- Katherine, NT

Remote

- Thursday Island, QLD



Participants

239 Australians consulted



33 Focus Groups

20 general community groups
13 targeted groups



Fieldwork Dates

Community groups 9 to 26 February
Targeted groups 29 April to 2 July



Focus Group Format

22 face-to-face
11 online

A full description of the consultation method and locations are included in this report as Appendix A.

3. Reading this report

The next section of this report presents conclusions from the consultation, drawing together and interpreting the findings gained across the consultation.

The section following that, sets out the evidence informing these conclusions. It is structured around four key questions the consultation was designed to answer, with each question forming a separate sub-section.

Within each main sub-section:

- an initial summary pulls together findings from across audiences and individual topic areas
- within each individual topic area, findings from the 20 general community focus groups are discussed in the main body of text
- findings unique to the targeted focus groups are reported in 'call out' boxes.

The consultation findings comprise the key themes emerging from the consultation, with a discussion of areas of convergence and divergence and a sense of the ubiquity of themes. A small number of pseudo-quantitative measures are also reported, for example, where focus group participants were asked to provide a rating, or to vote on an idea. Qualitative samples are not designed to be statistically representative and therefore all such results should be interpreted with caution and treated as indicative only.

03

Discussion of consultation findings

1. What factors shape trust in different forms of money?

This research revealed that trust in different forms of money is multifaceted. It also revealed trust plays less of a role in behaviour (that is, what payment methods are used, and in what situations) than one might expect. The reality of a digital world, merchant acceptance, and benefits linked to payment methods (convenience, ease of use), oftentimes override doubts about trustworthiness.

Cash is not necessarily trusted more than storing money in a bank account, and trust in bank accounts is not necessarily dependent on the ability to withdraw physical cash, although participants often perceived bank accounts as places where banks held *their* cash for safekeeping, and expected to be able to access that cash whenever they wished.

The legitimacy and trust associated with cash appeared to stem more from its official status as Australian money, than from any conscious understanding of who issues it. Government and institutional backing seemed to provide an underlying sense of confidence but did not typically emerge as an explicit reason participants trusted cash.

Most assumed there was a level of regulation of banks undertaken by the government, however detailed knowledge of this regulation was low and usually not important to research participants. It was more important to participants to know that there were mechanisms in place to protect the community if something were to go wrong. Overall, research participants trusted that the government had these in place.

Taken together, the findings suggest that trust is not determined by whether money is physical or digital, nor by whether it is government-issued or privately provided. Rather, trust emerges through a combination of familiarity, perceived reliability, control, safeguards and lived experience.

2. To what extent are Australians' payment needs currently being met?

Participants across the consultation generally felt that Australia's payment system serves them well and meets their day-to-day needs. Most participants had access to multiple payment methods and routinely selected between them depending on the situation. Convenience, security, speed, reliability, cost, record-keeping and control all influenced payment choices, with the relative importance of these considerations varying according to the payment situation.

Importantly, participants often struggled to identify examples where their payment needs were fundamentally unmet. Instead, discussion focused on frustrations and trade-offs within an otherwise functioning system. Participants described adapting their behaviour, such as maintaining multiple alternative payment methods, to manage limitations and reduce perceived risks.

Where unmet needs emerged, they tended to relate to friction in payment experiences. This included processes that involved multiple steps and were perceived as inconvenient, a desire for greater security and confidence when transacting, and increased certainty around when payments would be settled.

Overall, the consultation suggests that the community's payment needs are largely being met, but often through the combined use of multiple payment methods that each provide different benefits.

While most participants were able to use existing payment systems, the findings suggest that needs are not met equally across all users. Among Australians with disability, accessibility challenges extended beyond physical usability to include cognitive effort, mental load and the cumulative impact of managing multiple conditions simultaneously. Tasks such as navigating digital systems, managing recurring payments and monitoring accounts could require significant effort and create ongoing stress or anxiety. Access to human assistance was revealed as an important but often overlooked component of usability, particularly when payment issues arose that could not easily be resolved through automated or self-service channels.

3. Do the potential features of digital money address payment needs or create new opportunities?

Both offline functionality and enhanced privacy were perceived as potentially valuable features. However, support for these concepts was generally conditional and context dependent. Participants could readily identify situations where such features might be useful, but many struggled to identify circumstances in which they would personally rely on them frequently.

Offline functionality, the ability to make payments when internet or mobile connectivity is not available, was primarily valued as a resilience feature, particularly during emergencies, natural disasters and technology outages. Participants saw merit in maintaining the ability to make payments when communications infrastructure or banking systems were unavailable. However, these incidents were viewed as uncommon or exceptional situations, limiting perceptions of the everyday usefulness of offline payments. Present bias may also be at work – research participants generally focused on immediate costs (the added effort associated with obtaining cash or thinking about a new payment method), with possible future benefits discounted. This also helps to explain why many did not routinely carry cash as a back-up option but also responded less than enthusiastically about an offline digital payment option. Concerns about loss of funds, security, pre-loading requirements and practical usability reduced enthusiasm once trade-offs were introduced.

Many in the community are worried about the collection and sharing of payment data and generally supported exploration of ways to make digital payments more private. However, participants also recognised that data collection can support fraud detection, security, transaction verification, consumer protections and, for some, shopping experiences. Many therefore saw privacy as one consideration among several competing priorities. Concerns about who has their data, what they'll do with it, or how it might be used against them, also extend well beyond payment data. There was also strong evidence of satisficing in this research – rather than actively seeking out more private alternatives, many seemed to accept the current level of data sharing as a trade-off for the benefits digital payments provide, with a sense of resignation about the lack of control of personal data in a digital world.

The findings suggest that privacy and offline capability warrant further exploration. However, participants generally did not regard either feature, as presented, as providing a sufficiently compelling reason to adopt an additional payment method.

In this research, Australians with disability did not identify digital money features as addressing their most significant unmet needs. Instead, reducing cognitive burden, improving accessibility and maintaining access to human support were viewed as more important. The findings suggest that accessibility benefits are unlikely to arise automatically from new payment technologies and would need to be intentionally designed into any future solution.

Among small merchants, features such as lower transaction costs and offline functionality were viewed as potentially beneficial. However, benefits would need to be clearly demonstrated and substantial to justify adoption. Any new payment system would need to integrate seamlessly with existing point-of-sale systems, accounting software and business processes. Features alone were not considered sufficient to drive uptake if they introduced additional complexity or effort.

4. What are Australians' attitudes towards a potential digital Australian Dollar?

Awareness of retail CBDC was low across the consultation. This is not something that most participants had heard about and is not something they expected to be explored.

Initial reactions to a digital Australian dollar were characterised more by uncertainty than by clear support or opposition. Participants generally struggled to understand how it would differ from existing payment methods or what problem it would solve. After considering the potential benefits and drawbacks, views remained mixed, with limited strong enthusiasm. Positive views towards potential CBDC implementation were generally linked to a specific perceived benefit, most commonly offline functionality, while neutral or negative views reflected lack of a clear use case and concerns about cost, complexity and the possibility that it could contribute to the decline of physical cash.

Participants' limited enthusiasm should be interpreted in the context of low familiarity with retail CBDC, uncertainty about how it would work in practice, and the absence of payment problems sufficiently significant to create demand for a new option. This made the potential benefits difficult for many participants to assess and placed greater weight on visible costs and risks.

Some would also need social proof to trust and use digital cash. This was perhaps most evident among small merchants. Many merchants indicated they would be unlikely to act as early adopters and would instead wait for evidence of broad uptake and successful implementation. Social proof, operational simplicity and clear financial benefits emerged as likely prerequisites for meaningful merchant adoption.

Cost was a prominent theme across the focus groups, and some of the interest in the digital Australian dollar reflected an expectation that it could provide a cheaper digital payment option. It is therefore possible that the appeal of a digital Australian dollar to consumers may decline further once card surcharges have been phased out, although this may not be the case for small merchants².

² It is worth noting that the general community focus groups took place prior to the RBA announcing, in March 2026, that surcharging on EFTPOS, Mastercard and Visa debit, prepaid and credit card transactions would be discontinued from 1 October 2026 as part of broader reforms to merchant payment costs and card payment regulation. This had been announced prior to the targeted focus groups, but awareness among those participating in these groups appeared to be mixed.

5. Overall conclusions

The consultation suggests that Australians currently enjoy access to a payment system that is widely regarded as convenient, reliable and capable of meeting most day-to-day needs. Cash continues to play a unique role within this ecosystem, not because it is universally preferred, but because it provides attributes, including tangibility, resilience, privacy and control, that are not fully replicated by digital alternatives. Meanwhile, digital payment methods are strongly valued for their convenience, speed, security features and integration into everyday life.

Rather than revealing a strong need for an entirely new form of money, the consultation points to the continuing importance of maintaining trust, resilience, privacy, accessibility and control across the broader payments ecosystem.

04

Consultation findings

1. What factors shape trust in different forms of money?

The first topic explored in the focus groups was the factors that shape trust in different forms of money. Of particular interest, was the extent to which:

- trust in bank deposits hinges on the ability to withdraw, or the existence of, cash
- cash is trusted because it is issued by government
- trust would automatically transfer to other forms of money issued by the Australian government.

As an easy entry point into this topic and to explore unprompted and top of mind ideas, the general community discussions commenced with broad consideration of cash. To elicit response, three activities were used – word association, a projective task, and a 'world without' task (where research participants were asked to imagine what would change were cash no longer there)³.

Research participants were then directly asked:

- whether they trust cash and why
- how confident they are to store money in bank accounts
- whether storing money as cash or in a bank account was more trustworthy.

³ Research participants were assured that the RBA is committed to ensuring cash remains a viable means of payment for as long as Australians want or need to use it. This aligns with the RBA's commitment to supporting the Australian Government's policy objective in this respect. See Bullock M (2026), 'Opening Statement to the House of Representatives Standing Committee on Economics', Canberra, 6 February.

1.1. Key Findings

Trust in cash was inherent rather than consciously considered.

Participants tended to speak fluidly about cash both as a means of storing money and making payments but found it hard to explicitly reflect on whether or why they trusted it.

The ability to physically see and hold cash gave many participants a sense of certainty and control that they felt digital forms of money didn't replicate.

Government backing appeared to be an underlying rather than explicit source of trust, with most participants giving little thought to cash being government-issued. Many struggled to articulate the implications beyond its legal tender status providing legitimacy.

Some participants described cash as more trustworthy than bank-held money yet still relied predominantly on bank accounts and digital payments in everyday life as the established norm.

Trust in bank accounts was shaped by experience, with bank accounts benefiting from being the established default.

Participants generally viewed cash and money held in bank accounts as the same, with limited distinction between the two. Participants were generally more comfortable storing large sums in bank accounts than as physical cash, often due to practicality and the need to use banking services for everyday financial activities.

Bank accounts were also seen as helping preserve the value of money while offering safeguards through a regulated financial system. However, awareness of specific safeguards and protections, including the government-backed bank deposit guarantee, was limited.

Trust was reinforced by positive personal experiences, including fraud detection and reimbursement for unauthorised transactions. Trust was also strengthened by the reputation and longevity of established Australian banks.

Confidence in the deposit system appeared to be partly supported by the continued existence of cash. Many participants perceived the money in their bank account to be 'their' money and expected to be able to withdraw it as cash if and when they wanted to. Even among those who rarely used cash, the ability to convert deposits into cash was often viewed as a consumer right.

1.2. Trust in cash

1.2.1. Context

As reported by the RBA in April 2026, cash use for everyday payments has stabilised in recent years after previously declining markedly in Australia. Despite representing a lower share of payments (15% in 2025, compared to around 70% in 2007), cash remains an important payment method for many Australians, with an estimated half of Australians using cash in a typical week⁴. Further, one third of Australians are predicted to face hardship or major inconvenience if cash accessibility was impeded or cash was not accepted at shops⁵.

An exploration of the use of cash by the public was beyond the scope of this research. However, to contextualise findings on trust in cash, it is worth noting that use of cash as a payment method did appear to vary substantially across the research sample, which, in the case of the general community focus groups, was recruited to be broadly representative of the Australian adult community. The sample included plenty of individuals who reported routinely carrying and using cash, individuals who held and carried cash as a backup or for emergency situations (described further below), and a seemingly small minority who rarely if ever came into contact with cash.

To note, research participants did tend to speak fluidly about cash as a means of storing money and a means of paying for things, but with many tending to focus on the latter.

Expressed perceptions and views of cash also varied. Some described cash as old fashioned, for older people only, increasingly unnecessary and irrelevant, and obsolete. Others spoke of cash as valuable and for everyone.

While this feedback was not directly sought, many participating in the research were inclined to discuss their own use of cash, why they did or did not personally favour keeping or using cash, and what they personally valued about cash. Some participants appeared to find this easier than reflecting on the extent to which they trust cash and the factors underpinning that trust. Indeed, the words 'trust' or 'trustworthy' were not used spontaneously in early discussions of cash in any of the focus groups. Some research participants suggested that they had not previously, consciously thought about whether or why they trusted cash.

"I never really thought about that... trust. It's a lot harder to depart with your cash than it is to pay something online. But I don't know about trust. It's deflationary, the spending power is dropping as inflation goes up."

Outer regional/remote

It is worth noting that this research revealed a weak correlation between trust in cash and use of cash. Some research participants spoke of having more trust in cash than money stored in bank accounts, or digital payments, yet still relying more heavily, if not exclusively, on the latter.

"Yeah, less likely to lose it if you're holding it. That doesn't mean I do that. It's all in online bank accounts, but yeah."

Launceston, 18-39 years

⁴ Faferko, A., Rylah, G. and Wang, F. (2025, January 30). Access to cash in Australia. *Bulletin*. <https://www.rba.gov.au/publications/bulletin/2026/apr/cash-use-in-australia-what-the-2025-consumer-payments-survey-tells-us.html>

⁵ Macgibbon, K, Royters, M. and Wang, F. (2026, April 20). Cash use in Australia. *Reserve Bank of Australia*. <https://www.rba.gov.au/publications/bulletin/2026/apr/cash-use-in-australia-what-the-2025-consumer-payments-survey-tells-us.html>

Common reasons offered for storing money as cash or carrying cash to pay for things included:

- cash as an emergency store of money or back up payment option
- cash reserved for smaller bricks and mortar retailers who do not accept digital payments or are perceived to prefer cash (e.g. market stall holders and Asian grocers)
- to assist with budgeting, including limiting their spending and avoiding impulse purchases

"Well, it gives you the ability to manage because if you, if you're going out for the night, you can put 100 bucks in your wallet, and when you spend that you know it's time to go home. "

Darwin, 40 years+

- to avoid surcharges and sometimes secure a cash payment discount
- that cash is simple, uncomplicated and hassle-free.

1.2.2. Key factors driving trust in cash

Factors driving trust in cash revealed through the focus groups are summarised below, in roughly decreasing order of ubiquity. Participant responses suggest that cash is trusted. However, participant responses also suggested that for some, trust in cash as a payment instrument is starting to be eroded, through perceived reduced merchant acceptance and familiarity of cash.

1.2.2.1. Tangibility

Across the general community focus groups, tangibility was revealed as the strongest driver of trust in cash and came most readily to mind for research participants. Across almost every group, participants described cash as something that can be seen and held. Relatedly, some commented on it being simple and uncomplicated – what you see is what you get. Older Australians in particular expressed anxiety about the shift toward digital payments and reduced ability to use cash, for this reason.

"It's tangible, you've got it in your hand, you know what the value of that note is and you appreciate it more I think as being cash whereas with a transaction across the electronic it's just numbers disappearing."

Townsville, 55 years+

The physical nature of cash also underpinned a number of trust-related benefits that repeatedly emerged across the groups. One such example is increased control and certainty when dealing with cash. In particular, tangibility is helpful in relation to budgeting and keeping track of money spent, and also that it is independent from technology and resistant to digital threats.

For people with disability:

Regarding tangibility, some participants reported that being able to see and hold cash helped them manage impulsive spending behaviour and made clearer how much they had available.

1.2.2.2. Ability to make payments without relying on power, internet or technology

The reliability of cash as a payment method in case of emergency was also revealed as a strong driver of trust. Cash was described as able to work even without power, internet, or technology.

"Well, if an EFTPOS machine breaks down, you still can buy the goods. It's been on at least three occasions, 'sorry, our EFTPOS is down' and people walked off. I've got my \$50 note and they can still do stuff and that's what I think about cash. It's convenient. It doesn't rely on technology."

Adelaide, 55 years +

"I think especially living in North Queensland and at this time of year with power outages, you don't always have access to ATMs or EFTPOS or things to charge your phone to transfer money so it's not always plausible. I guess with cash it's physical, you can use it no matter what."

Townsville, 25-39 years

For small merchants:

Participants described cash as an important backup option, playing a role in maintaining business continuity during system outages or emergencies. As a result, while many businesses reported reducing their reliance on cash, most still reported accepting it in their business, with many expressing the view that it should continue to exist as a complementary payment option.

1.2.2.3. Perceived legitimacy

Participants often viewed cash as legitimate through being an official and stable form of Australian currency. Cash was frequently contrasted with cryptocurrencies, which were perceived as less established, stable or reliable. While some participants associated the Australian dollar's stability with the gold standard, others recognised this is no longer the case. Trust appeared to stem less from a conscious awareness that cash is government-issued and more from its perceived official status, broad acceptance, and stability.

"It's a standard, the government is saying, this \$50 note is worth \$50 and you can buy \$50 worth of things with it."

Launceston, 40 years +

"Bitcoin or other cryptocurrencies are a lot more likely to fluctuate wildly or even totally depreciate in value, but if it's tied to a country's currency it's a lot more stable."

Launceston, 18-39 years

1.2.2.4. Fee free

Extra fees added on top of the purchase price of goods and services, particularly surcharges, were an emotive issue in the focus groups. Some research participants also expressed frustration with the perceived number and size of fees imposed by banks on their customers, which were described as eroding money stored in bank accounts. Dissatisfaction with fees and charges was driven by concerns about affordability, and by concerns about trust and fairness. Participants questioned the transparency and legitimacy of charges, often perceiving them as unfair or taking advantage of customers.

Except for ATM fees to withdraw cash, which were mentioned by a small number of research participants, the storage of money as cash and use of cash to pay for things, was seen as an effective way to avoid fees, with cash allowing consumers to pay the set amount, and nothing extra.

"What you see is what you get... it's not out to make money like all the other systems are"

Perth, 55 years +

"And your \$100 is \$100, because when you tap, your \$100, if you're using a credit card, is now like \$100.05.... You're forcing us to use a system that we don't necessarily want to use, but then you're also charging us more for it."

Sydney, 30-54 years

1.2.2.5. Instant and assured transaction with no scope for error

Research participants described cash payments as instantly settled. This was seen as particularly beneficial when receiving money from others, in contexts that would otherwise rely on trust (e.g. second-hand markets). Research participants also described cash payments as necessarily a single, one-off payment. Unlike with a digital payment, one cannot accidentally commit to a recurring payment, or because of a technical glitch, inadvertently pay double, and then need to wait for a refund. Further, unlike with a bank transfer, with a cash payment, one cannot accidentally pay the wrong person by entering incorrect account details, further fuelling certainty and hence trust in cash.

"If you want to buy something at a garage sale, here's your \$10 like this. It's not waiting for it to get transferred or worrying about putting someone's account details in, it's just instant."

Townsville, 25-39 years

"I pay the gentleman that does my lawn in cash. I don't then get an email with an invoice, like it's that mental load of I've gotta wait, I've gotta wait for the invoice and then pay it when I receive it, it's admin for them, it's admin for me, it's just easier for me to just have cash, pay it, it's all settled then and there."

Mildura, 18-39 years

To note, a few participants put forward an alternative viewpoint, namely that cash payments are riskier than digital payments, given the lack of traceability when the customer does not receive or retain a cash receipt. It was also suggested that retailers can provide customers with the wrong change and then deny that they have.

1.2.2.6. Security

Some described cash as trustworthy because it is safe and secure. Unlike money stored in bank accounts, it is unable to be lost online due to theft or fraud. Cash is immune from cyber-attacks and is scam-proof, and unlike digital payments, does not pose a security risk when used to pay for things. For example, its use cannot lead to identity theft.

"It can't be stolen unless someone comes to your house and actually gets it off you."

Outer regional/remote

"I think that it's physical too I guess. I mean pickpocketing is not as common in Australia as other places, but you know you can get scammed online or then your bank gets shut, whereas your cash is still there, it's still in your pocket."

Townsville, 25-39 years

While this view was widespread, there was also strong support for the alternative view that storing money in bank accounts and making payments digitally is as safe as, or safer than, relying on cash. A particular concern was the lack of recourse for consumers should cash be stolen.

“The only thing I would say, trusting cash, it's probably a little bit more easier or accessible to pinch. If somebody pinches your wallet, that's cash, it's gone. If they pinch your wallet and you've got credit cards, you can stop that and any money that's in there, but once the cash is gone, it's gone.”

Perth, 55 years +

1.2.2.7. Well-designed banknotes with strong anti-counterfeiting features

The specific features of Australian notes were raised as a source of trust by some, who suggested that Australian bank notes can be trusted above banknotes issued in other countries with fewer anti-counterfeiting features.

“I know I'm not gonna get scammed with cash. Like, I don't think I've ever seen counterfeiting in Australia. I think because we don't have paper currency... so if someone hands me a 50, I know it's a 50, whereas if someone transfers me something, it could be a scam for all I know.”

Perth, 18-24 years

“Well, there's very little counterfeiting in Australia. The notes are superb, pretty much impossible to counterfeit, I think. So, I trust it implicitly.”

Perth, 55 years +

In contrast, there were a few research participants who had heard about recent counterfeiting cases or themselves had had a note rejected as counterfeit. For some, this had reduced their trust in cash.

For new migrants:

Participants described experiences in their home country, such as counterfeit notes being in wide circulation, merchants refusing damaged banknotes, and currency denominations being demonetised overnight. Consistent with this, the trust some participants in the general community groups placed in the anti-counterfeiting features of Australian banknotes was largely absent among new migrants.

1.2.2.8. Familiarity

In roughly a quarter of the 20 general community focus groups, research participants directly expressed the view that they trusted cash because it is familiar. Responses to the question posed to research participants of whether trust would automatically transfer to another form of payment other than cash if it was issued by government, further provides clues to the importance of familiarity. Some expressed the view that they would like to ‘wait and see’. Cash has become trusted as it is both familiar and proven.

“Cash has been around for longer than online banking. It's worked and has time on its side.”

Canberra, 18-39

For small merchants:

For some businesses, such as those operating in face-to-face, regional, or community-based contexts, cash remains important due to customer preference and familiarity. In these cases, cash is seen as reliable, immediate, and in some instances more trustworthy.

1.2.2.9. Privacy

That cash doesn't result in the generation or sharing of personal or transaction data was spontaneously raised in a number of focus groups in ways that suggested this was a source of trust in cash. Cash is "untraceable" and avoids other people, the bank, or the government, knowing where or how you are spending your money.

"I've talked to some, albeit fairly paranoid people expecting some big collapse of, you know, all of the systems or something and you know they trust cash because it's there in your hands. You're not really being tracked on it, you're not gonna get, a lot of the advertising and marketing stuff that comes with that tracking."

Launceston, 18-39 years

"I think there is too much information at the moment, like, when you pay with cards there, and when you pay with bank transfers and all that, everybody can know too much about you, know what you're spending on and all that, but cash isn't traceable. There's a bit of privacy associated with that."

Sydney, 30-54 years

For people with disability:

Privacy and anonymity were more strongly connected to control and independence within the disability cohort. For these research participants, privacy was not only about making anonymous transactions; it was also about being able to manage their own money without unnecessary visibility, scrutiny or reliance on others. Cash was described as a payment method that offered the choice of privacy and anonymity which supported this sense of control and independence.

1.2.2.10. Merchant acceptance

Some in this research were under the misconception that because cash is legal tender, businesses must accept cash. For some research participants, this had been their experience largely to date, and this was a source of trust in cash for them – cash will be accepted when they go to pay for something, in a way that is not guaranteed for digital payment methods.

This is reinforced by the finding in this research that those who perceived poor merchant acceptance of cash expressed lower trust in cash.

"I went to one [AFL football match] up in Sydney last year and I didn't know that. And I said, oh, coffee and chips, and I got the cash out and the guy looked at me. I said, what's the look for? He said, didn't you read it on the way in? I said, what? No cash on venue, only EFTPOS."

Mildura, 40 years +

"It's annoying, it's legal tender and I shouldn't be rejected for it."

Canberra, 18-39 years

For small merchants:

Many expressed a clear shift away from cash, driven by operational challenges. Handling cash was widely described as inconvenient and time-consuming, requiring additional administrative effort to reconcile, securely store, and physically deposit funds, particularly in areas with limited access to bank branches. In addition, cash was described as not integrating well into digital accounting systems, reducing visibility of transactions and limiting its usefulness in modern business operations.

1.2.3. Perceived value of cash being issued by government

Cash being government issued factored into trust for some research participants, though it was not often directly tied to credit risk or monetary considerations. This was the third most prominent spontaneous driver of trust as noted above under 'perceived legitimacy'. This topic was explored in more detail through direct lines of questioning, with research participants asked to describe what cash being issued by government means to them, the extent to which that feels relevant or important, and what they value about that. Commonly, research participants were unsure how to answer these questions. Reactions and responses suggested that cash being issued by government is obvious when thought about, but not top of mind or something usually considered, and that the implications of this are not fully understood. Perceived relevance and importance of cash being issued by government ranged from moderate (research participants appearing to feel neutral), to high (research participants expressing that this is very important in considerations of trust). However, participants rarely articulated this in terms of the underlying monetary properties of cash. Rather, government issuance appeared to be valued as a signal of legitimacy, official status, widespread acceptance and stability. There was little evidence that research participants were consciously considering cash as a credit risk-free form of money when expressing trust in it.

"Without the government printing it, you wouldn't have cash."

Mildura, 40 years +

"I've never explicitly thought about it, but I reckon probably subconsciously that's part of what sort of drives the trust."

Adelaide, 25-39 years

For First Nations:

That cash is issued by the RBA was not a universal source of trust. Some participants expressed a belief that the RBA prioritised the profits of private banking institutions and had too much control over participants' lives as part of a wider system of power. Some participants in these groups thought that Aboriginal and Torres Strait Islander peoples should have more control over their money (e.g., via Aboriginal Community Controlled Banks).

For new migrants:

Lived experiences in their home countries often shaped trust in cash. Predominantly, negative experiences had led to a sustained loss of trust in cash and a tendency to avoid it, with these attitudes transferring to Australia.

1.2.4. Transfer of trust to other payment methods

The question of whether a government-issued payment method, other than cash, would be trusted to the same extent was often met with confusion. Many research participants struggled to envisage what such a payment method might look like or how it would affect them personally. A digital form of cash was not something that typically came to mind. Where participants did speculate, some suggested a government-issued cryptocurrency or “something like war bonds”.

For people with disability:

Participants reacted with scepticism when asked whether a government-issued payment method other than cash would automatically be trusted, with questions asked about why government would go down such a path. Key assumptions were that it may allow the government the ability to track individuals, or limit or control an individual's spending over time, which was a source of considerable concern for some.

Despite this uncertainty, when asked to consider the proposition more broadly, participants expressed a range of views about whether government issuance alone would be sufficient to establish trust. Some expressed the view that a payment method issued by government would certainly be more trustworthy than a payment method issued by a private company, who may not have consumers' best interests at heart, or the right checks and balances in place. Less commonly, research participants expressed scepticism that government could be trusted, particularly in something more innovative in the tech space.

"I'm not any more suspicious of it than a non-government currency. I think yeah, if anything, it's a little bit more positive. Potentially it has to be real somewhere or someone's approved it and if something went wrong, hopefully you could track that back."

Adelaide, 25-39 years

"It would be more trustworthy as it has the grounding in regulation and be less likely to go belly up in the market or randomly not exist one day."

Darwin, 18-39 years

A few specifically said they would not be earlier adopters to any new payment method, regardless of who issued it.

"If we think about the chips in our cards that's only come out in the last 15 years and for the tap and go, that was a transition because there was a lot of mistrust about being able just to tap from having to swipe and sign your name and stuff like that. Whatever it is, I think you'd find people would give it a go but it would take a long time for the trust to build."

Darwin, 40 years +

1.3. Trust in commercial bank accounts

Reported use of commercial bank accounts to store money was universal in this research. The research sample did not include anyone who reported not having and using a bank account, and only one who reported not making payments digitally.

Similar to cash, many research participants struggled to separate trust in storing money in bank accounts, from trust in digital payment systems more generally.

Equally, many research participants failed to distinguish between cash and money in a bank account, treating both as simply 'money' and never having previously considered who issued either form.

"It's all money... ultimately it's pieces of paper that are backed by the Australian government. That's why it has value. It doesn't really matter whether that's electronic or physical."

Adelaide, 25-39 years

"All money these days is just output of a spreadsheet."

Sydney, 40-54 years

Similar to reasons given for using cash, reasons given for using bank accounts often related to preference and pragmatism, rather than to considerations of the relative trustworthiness of cash compared to bank accounts. Frequently given reasons for storing money in bank accounts, not directly linked to trust, included:

- not having a choice – many research participants spoke of whether or not they trusted bank accounts being almost a moot point, as people simply do not have a choice but to use bank accounts. This was reinforced by reflections that wages, salaries and government support are received by Australians in their bank account, and that oftentimes they are required to make payments digitally

"I'm not sure because... you have to do what you have to do within the system that you're living in... it's all bank accounts and online and like, it's just not feasible, how am I going to get my pay, my employer isn't going to give me \$800 a week in cash."

Townsville, 25-39 years

- being the most practical and safe way to store money, particularly larger amounts
- being a convenient means of storing money that integrates well with everyday life, for example, enabling digital payments to be made and received, and money to be tracked and managed electronically.

1.3.1. Key factors driving trust in commercial bank accounts

Factors driving trust in bank accounts as a means of storing money, revealed through the general community focus groups, are summarised below, in roughly decreasing order of ubiquity.

1.3.1.1. Security and protection from theft, loss or physical harm

That bank accounts are a more secure means of storing money, than holding cash, was the most consistent theme, coming through clearly in roughly three quarters of the general community focus groups. Participants frequently contrasted the risks of cash being stolen, misplaced, destroyed by fire or natural disasters, and lost permanently, with the perceived protections associated with storing money in bank accounts.

For people with disability:

Risks associated with storing large amount of money were often experienced as more immediate and tangible. Participants provided examples such as reliance on support workers to manage or access funds, which introduced potential for misuse, as well as heightened anxiety about holding large sums of cash. As a result, the perceived risks associated with storing cash were not only recognised in principle but were more directly linked to participants' personal circumstances and lived experience, leading to a preference for storing money in bank accounts.

1.3.1.2. Ability to earn interest and preserve value over time

Many participants saw bank accounts as a better, and more trustworthy, way of storing money, because savings could earn interest and thereby offset inflation. Some also spoke of storing money in offset accounts to reduce the amount of interest paid on loans. In contrast, cash held at home was often viewed as 'doing nothing' and gradually losing value. This theme of trust in bank accounts linked to preservation of value over time, emerged in roughly three quarters of general population groups.

1.3.1.3. Fraud monitoring and reimbursement of losses

All groups raised concerns about the vulnerability of bank accounts to hacking, scams and fraudulent transactions. Importantly, however, concerns about scams, cybercrime and fraud worked both ways. For some participants, these risks reduced confidence in using bank accounts and digital payments. For others, positive experiences where banks had reimbursed fraudulent transactions, identified suspicious activity, or intervened to prevent potential scams helped build confidence and trust in storing money in bank accounts, as these measures were perceived as providing an additional layer of protection. At the same time, some participants expressed frustration with fraud-prevention measures, such as transaction limits, account restrictions or cards being blocked when activity was flagged as suspicious. While these controls could enhance trust by improving security, they could also create friction, delays and a sense of reduced control over personal finances.

"I've been scammed a few times, and I've been with three different banks, and they've all managed to get the money back. And it worked with three banks, so that makes me 100% trust them. And my money."

Sydney, 40-54 years

1.3.1.4. Government regulation and institutional safeguards

Broad perceptions of government regulation, safeguards and oversight appeared to directly contribute to trust in bank accounts, with this idea spontaneously raised in roughly half of the general community focus groups.

While there was a basic understanding that people's money is protected in some way, there was little detailed knowledge of what these regulations are or how they're enforced. For most, the details of the regulations were not as important as the awareness that they exist for building trust in the system. Participants often reported their understanding that banks have a primary for-profit focus; therefore, trust was often framed as being in the rules and safeguards surrounding the system rather than in the banks themselves.

"I don't trust banks to have my best interest, but I do trust their systems and like I suppose they are heavily regulated and the government does have oversight, but they get away with a lot."

Darwin, 18-39 years

Across the general community focus groups, the Financial Claims Scheme (an Australian Government scheme that protects deposits up to \$250,000 per account holder, per banking institution specifically) did not appear to be a major or conscious driver of trust in commercial bank accounts, largely because awareness and understanding of it were quite low. Most participants had not heard of it, or only vaguely recognised it. Where people did know about it, it appeared to be one source of reassurance, rather than a main driver of trust, or any sort of primary reason why they chose to keep money in a bank. A very small number mentioned sharing their wealth across banks including to keep bank account balances beneath the known threshold for the deposit guarantee. Indicatively, understanding of the guarantee appeared to be somewhat higher among older research participants (55 years and older). These participants appeared to be somewhat more likely to know a guarantee existed, understand it to be government protection if a bank failed, and connect the guarantee with confidence in the banking system.

1.3.1.5. Bank reputation

Participants frequently spoke of an association between trust and the size, longevity and reputation of major banking institutions. Well-known banks were perceived as stable, unlikely to fail and more trustworthy than smaller, newer or less familiar providers. Trust was often linked to brand recognition and an institution's established position within the Australian financial system rather than specific knowledge of banking practices. Few appeared to have direct experience with multiple banks and to have made judgements based on experience.

"Oh, it's just, again, the reputation of the bank, right? There's so many banks out there. It's kind of important what bank you choose... A lot of banks sort of collapse after a while, if it's small. If it's a big bank, probably not as much. Maybe I'll put my money there instead... and that's why I trust the banks, probably the reputation."

Sydney, 18-24 years

For new migrants:

They typically spoke of having selected one of the 'big four' as their banking institution when they arrived in Australia, due to their apparent popularity and dominance in the market.

1.3.1.6. Personal experience and demonstrated reliability

Many participants based trust in bank accounts on their own experiences with banking services. Long periods without problems, successful recovery of funds after scams or fraud, and broader, positive interactions with their bank, reinforced confidence that money held in bank accounts would be protected and accessible when needed.

For people with disability:

Banks that offered accessible apps that integrated with accessibility tools were looked on favourably in terms of building trust. On the other hand, navigating complex online systems or challenging authentication processes made interacting with banks far more burdensome and added to participants' frustration. Participants generally reported personal experience or longstanding relationships with particular banks as being the primary drivers of banking choice.

For new migrants:

Negative experiences in their home country had led them to be more cautious of storing money in bank accounts, even now that they had migrated to Australia. In contrast, some others who had had negative experiences with cash favoured relying on digital payments and stronger use of bank accounts for storing money.

1.3.1.7. Transaction visibility and record keeping

For some research participants, being able to clearly see what is happening with their money, through visibility and record keeping associated with online banking and digital payments, appeared to increase confidence in storing money in bank accounts. Participants in the general community focus groups spoke of valuing bank accounts, and as an extension of this, digital payments, because they:

- create an automatic record of where money has gone
- allow them to easily track spending over time
- make it easier to investigate mistakes, fraud or disputes, compared to cash
- help with budgeting and financial management (noting others felt the opposite, and that they were better able to manage their finances paying with cash where possible)
- allow them to verify that payments have been made.

"I guess with that ease of opening an app too and being able to see, OK, yep, this is what I've got in my bank."

Darwin, 40 years +

1.3.2. Importance of option to withdraw physical cash

As alluded to above, trust in bank accounts was sometimes conditional on confidence that deposits could be withdrawn as cash whenever desired.

Some reported regularly using cash in everyday life for making payments or carrying cash as a back-up option (for outages or technology failures, or to use with merchants who do not accept EFTPOS) and wanted to be able to access cash when it suited them for this purpose. Indicatively, older research participants (55 years and over) were most likely to discuss bank closures, reduced availability of ATMs and cash withdrawal limits.

Others, however, seemed more focused on maintaining control over their money, than on wanting to withdraw physical cash specifically. When specifically asked how important it was for them to have the option to withdraw physical cash when they wanted to, many said this was important. Reasons given for believing that this was important suggested that:

- participants generally viewed the ability to withdraw cash as a crucial aspect of money belonging to them, with banks acting primarily as custodians of those funds. They expected to be able to access their money whenever needed, including by withdrawing it as cash
- access to cash was viewed as an important consumer right, in a similar way that being able to pay for things with cash was

Certainly, many participants who reported rarely, if ever, withdrawing or using cash themselves, still described the option to withdraw cash as important. This suggests that comfort storing money in bank accounts is partly underpinned by a perception that they can have access to their funds when desired. In some focus groups concern arose not from the prospect of reduced cash use, but from any suggestion that banks may be looking to restrict access to customers' own money.

"If I can't take my money out, does that mean that they don't have the money either? Unless there is some dangerous situation happening where the government has a reason to stop me from accessing my money, I want to be able to take it out."

Sydney, 18-24 years

1.3.3. Relative trust in commercial bank accounts, compared to storing money as cash

Across the twenty general community focus groups, participants generally expressed greater comfort storing money in commercial bank accounts than as physical cash, although it was not always clear whether this reflected trust specifically or broader preferences and practical considerations.

Many reported that they wouldn't know, or haven't thought about, how to store their money if not in a bank account. Generally, the only other plausible option was seen to be as cash.

Only in a minority of groups (around one quarter) was cash predominantly considered more trustworthy than bank accounts. Where cash was trusted more than bank accounts the reasons given included:

- most commonly, control and ownership – participants noted that unlike for money stored in bank accounts or for digital payments, one can physically see and immediately access cash, no one can stop one spending it, and no one can freeze, block or question transactions
- resilience during emergencies, including natural disasters, power or internet outages, or banking system failures
- privacy – while not frequently raised, some research participants were very concerned about the lack of privacy afforded to Australians when they store money in bank accounts and use digital payments
- tangibility – cash is 'real' in a way that bank balances are not, with participants discussing feeling more disciplined about spending cash versus making a digital payment and having a greater awareness of what money is worth when handling cash.

For new migrants:

The theme of the importance of retaining control also emerged in the sessions, perhaps more strongly than among the general community, but less strongly compared to the disability sessions. Among some new migrants in this research, negative experiences in their home country, had led them to be more cautious of storing money in bank accounts, even now that they had migrated to Australia. In contrast, some others who had had negative experiences with cash favoured relying on digital payments and stronger use of bank accounts for storing money. Several participants spoke of strategies to spread their wealth (including investing or making purchases) to not rely too much on bank accounts or even cash.

Even among research participants who continue to feel broadly confident to store money in a bank account and transfer into and out of it, there were concerns raised about bank accounts. These are described below:

- Difficulties accessing cash when wanted, including large sums, and also in places where there is limited opportunity to withdraw (e.g. no ATMs). This led to a few questioning whether it was safer to store their money as cash in the first place.
- Perceived barriers to accessing funds. A minority of participants expressed, sometimes considerable, frustration with measures such as payment limits, delays in money transfers, and accounts being flagged for suspicious activity. While many recognised that these controls are intended to prevent fraud and protect customers, they were viewed less favourably when they resulted in delays, restrictions or inconvenience in accessing funds for legitimate purposes. Some participants reported having the bank question how they intended on using a large amount of money they were trying to withdraw which they felt should not be relevant to the bank. While most acknowledged (and often appreciated) the bank's attempt to minimise fraud, participants often reported that it felt too invasive and impacted their ability to manage their money as they wanted to. These experiences contributed to a perception that money in a bank account is not always fully or immediately accessible.
- Relatedly, fear of overreach and surveillance was also detected in some groups. A less common but recurrent concern for some (particularly older citizens), was a perception that banks, government and corporations increasingly know too much about people's financial activities.
- As discussed more fully below, concern was expressed about scams, cybercrime and fraud – participants frequently discussed account hacking, identity theft, online scams, phishing attacks, and hearing about people losing significant sums of money.
- Perceptions of poor bank behaviour also somewhat reduced trust in bank accounts for some. Participants in several groups expressed distrust of banks as organisations (although some still trusted them to keep their money safe), with sources of dissatisfaction including perceptions of excessive profits, fees and charges, and executive bonuses, and a general sense that banks put shareholders ahead of their customers.

For First Nations:

Trust in banks and bank accounts was shaped by past experiences. Negative interactions with staff and difficulties accessing money led some participants to feel that banks did not trust Aboriginal and Torres Strait Islander customers. Concerns about identification requirements, transaction restrictions, and limited local banking options contributed to a sense that banking systems were not designed with the circumstances of Aboriginal and Torres Strait Islander communities in mind. Participants felt that increasing Aboriginal and Torres Strait Islander representation within banks could help build trust by improving cultural understanding, reducing perceived bias, and ensuring community perspectives are reflected in banking decisions.

2. To what extent are the needs of the public being met by the current payment system?

The second topic explicitly explored in the focus groups was current payment pain points. The RBA was interested to understand whether people have payment needs that are unmet, and why, including whether this stemmed from perceived inadequacies of any given payment method, regulatory shortcomings, or technology gaps. A particular focus was understanding whether core attributes of the payment system are currently being met. Attributes of particular interest included speed, accessibility/inclusion, safety/reliability, and ease of use.

2.1. Key Findings

The community's payment needs are generally met.

Existing payment systems are largely meeting the community's needs, with frustrations more indicative of opportunities to improve experiences rather than major system gaps.

Participants described a range of payment frustrations. Participants were often frustrated when their preferred payment method was restricted or not accepted by merchants, requiring them to use an alternative that was less convenient.

Participants also expressed frustration when they had limited transparency or control over their transactions or ability to retain transaction records. These particular frustrations were underpinned by concerns regarding security and reliability with participants seeking protection from scams and fraud. Additional points of dissatisfaction centred around fees and surcharges, payment or transfer limits and managing recurring payments.

Despite these frustrations, participants generally felt able to manage issues through a combination of payment method choice, careful behaviours and access to alternative payment options, meaning no fundamental gaps in the payment system were identified.

Generally, more than one payment method was maintained to meet different needs for different kinds of transactions

Participants considered a range of factors when choosing how to pay, including convenience, security, cost, reliability, speed and control.

The importance of these factors varied by situation, with convenience and speed often prioritised for everyday purchases, and security, fraud protection and proof of payment becoming more important for online or higher-value transactions.

Payment choices were also shaped by personal preferences, past experiences and the payment methods accepted by merchants.

As a result, participants valued having access to a range of payment options rather than relying on a single method.

2.2. Current payment behaviours

While the primary focus of the discussions was to explore unmet payment needs, participants were also asked about their current use of different payment methods. This provided context on the values, priorities and considerations that influence how people choose payment methods across different situations and payment contexts.

Participants reported using a variety of payment methods. No single payment method was viewed as universally superior. Instead, participants described different payment methods as offering different benefits. For example:

- Debit cards and digital wallets were strongly associated with convenience and ease of use and were often used for daily transactions.
- Credit cards and third-party platforms such as PayPal were often valued for fraud protection and consumer safeguards. They were used for everyday online transactions or where there was a level of perceived risk associated with the transaction.
- Cash was associated with budgeting, spending control and resilience during system outages and was generally used for low-value in-store transactions or person-to-person payments.
- PayID/OSKO was valued for its speed in transferring funds, often viewed as instantaneous, and used most often for person-to-person payments.
- Bank transfer was valued as a familiar system and for its ability to transfer large sums of money and was used for high-value or person-to-person payments.
- Direct debit and BPAY were valued as familiar systems that require less continuous user input and were commonly used for recurring bills and scheduled payments.

For new migrants:

Participants spoke of routinely making cross-border payments. Overwhelmingly, they expressed satisfaction with the ease, speed, cost, reliability and choice of options for transferring money internationally. Many participants preferred payment service providers such as Wise, Remitly, Revolut and Western Union over traditional cross-border bank transfers.

For First Nations:

Some participants mentioned using or knowing other people that used government issued welfare payment cards, like the BasicsCard and SmartCard, or CentrePay, which automatically deducts an amount of money from Centrelink payments for expenses and bills. One participant mentioned that people in their community occasionally traded goods.

Across discussions, six broad needs consistently shaped payment method choice:

- Convenience and ease of use – Participants preferred payment methods that minimised friction and reduced the effort required to complete transactions. This included features such as tap-and-go payments, stored payment details and digital wallets.
- Security and confidence when transacting – Participants wanted confidence that their funds, personal information and transaction details were protected from fraud, scams and misuse, particularly when transacting online or with unfamiliar recipients.
- Reliability and certainty – Participants valued payment methods that worked consistently and provided confidence that funds would reach the intended recipient when expected.
- Cost and value – Participants actively considered fees, surcharges, rewards and other transaction costs when deciding how to pay.
- Control and visibility – Participants valued payment methods that supported budgeting, tracking spending and managing financial commitments.
- Acceptance and flexibility – Participants wanted the freedom to use their preferred payment method and expressed frustration when payment choices were constrained by merchant or recipient requirements.
- Proof of payment and record keeping – Participants valued transaction records, receipts and payment confirmations that could support budgeting, reimbursement claims and dispute resolution.

For everyday purchases, convenience and speed were often prioritised. For higher-value transactions, online purchases and transactions involving unfamiliar recipients, participants were more likely to focus on security, proof of payment, reliability and consumer protections.

For new migrants:

Some expressed broad, overall trust in the Australian financial system, similar to the general population groups. A few put forward the view that Australia's financial system was more stable and reliable than many other countries', perceiving strong regulation, oversight and monitoring of financial institutions.

2.3. Unmet payment needs

2.3.1. Payment needs are generally met

Research participants were asked to describe situations where their needs or expectations had not been met when making or receiving payments across a range of payment scenarios. Overall, participants reported that payment systems generally met their needs, with risks managed through a combination of additional caution and maintaining a range of payment options. For example, some described carefully verifying recipient details before making large transfers, making small test payments, favouring payment methods that offered stronger consumer protections, or retaining access to multiple payment methods in case their preferred option was unavailable.

Given that payment needs were largely met, unmet needs were often framed as frustrations arising in particular scenarios where there were trade-offs between competing priorities, such as security and speed of settlement. This highlights the complexity of payment preferences and behaviours. Therefore, the frustrations identified present opportunities to reduce friction and improve on existing payment experiences, rather than indicating significant gaps in the current payment system.

"I think there's a certain level of expectation to experience difficulties with either of them, like when you're tapping with your card, you know, you might not have transferred money over, the machine might be slow, you're tapping in a different spot. You know, getting cash, you're like fiddling in your wallet to find the right amount or you're waiting for them to give you your change back. But I think most people don't really register. There's, you know, it's just average day to day life that you don't think about too often."

Launceston, 18-39 years

"The time that it was a terminal issue I just moved to another terminal, so like another pay station, and then the other times when my bank was down and when their Wi-Fi was down, I paid with cash 'cause I had it on me."

Mildura, 18-39 years

For new migrants:

A 'benchmarking effect' was observed, with participants consistently comparing Australia to their home country. For example, some migrants referenced more advanced, integrated payment ecosystems in their home countries, such as QR-code payments, highly integrated apps (e.g. WeChat Pay, Alipay) and integrated transit cards. These were praised as instant, seamless and low-friction, and valued for being embedded in everyday platforms. Others reflected some sense of Australia providing functional but not particularly leading-edge payment options. Others saw Australia as being more advanced in some areas (tap-and-go, banking apps) but potentially lagging behind on ATM access and fees and surcharges.

2.3.2. Payment frustrations

2.3.2.1. Convenience and ease of use

Participants expressed frustration when payment processes felt unnecessarily difficult or time-consuming. Discussions highlighted an expectation that payment experiences should be simple, intuitive and require minimal effort. This frustration was reflected in:

- having to manually enter payment details such as card or account numbers which was seen as inconvenient and prone to human error
- having to locate physical cards or cash to complete transactions when payment details could otherwise be stored or accessed digitally (e.g. through digital wallets or PayPal)
- navigating multiple authentication or verification steps particularly where participants felt the level of security exceeded what was necessary for the transaction.

Participants often described a trade-off between convenience and security. While both were important, participants generally favoured payment options that minimised effort while still providing a level of security they considered acceptable.

"I might only send, like, \$5 or \$10 to start with, to test the waters, because I'm not prepared to transfer \$150,000 to potentially the wrong bank account."

Sydney, 40-54 years

"I don't have to go and find my credit card and type the numbers or whatever. Like Apple Pay is the easiest."

Darwin, 25-39 years

For people with disability:

Convenience was often closely linked to accessibility for people with disability. For example, a vision-impaired participant highlighted the ease of wearable devices to make payments (e.g. Apple Watch), where voice confirmation provided both speed and reassurance. However, other features which could support accessibility did not always translate into real-world usability. Using QR codes to link to payment services was perceived as potentially useful due to its compatibility with screen readers, however, difficult to locate without tactile indicators. This gap was also evident in EFTPOS terminals without tactile keypads, limiting independent use. In addition, low merchant awareness of accessibility features on EFTPOS terminals reduced the usefulness of a potentially convenient option.

Some described needing human assistance when using payment systems, particularly in the context of managing bank accounts and resolving issues with digital payment methods. In these situations, participants reported that automated or digital systems were often insufficient, particularly where the issue required explanation, reassurance or escalation. The increased reliance on self-service systems was described as assuming a level of digital capability and confidence that is not universal, and participants expressed frustration when they were unable to easily access human support.

A key insight emerging from the research with people with disability, is the role of co-morbidities and cumulative burden in shaping experience. Many people with disability in this consultation were managing multiple conditions simultaneously, and while physical impairments were relevant, psychosocial and cognitive factors appeared to have a more consistent impact on payment

experiences, particularly in relation to navigating systems, managing risk, and maintaining financial control.

Participants described how:

- cognitive effort required for tasks such as entering account details, managing recurring payments, or interpreting transaction outcomes could be significant
- psychosocial factors, including anxiety, overwhelm, and stress, influenced engagement with payment systems
- how multiple interacting barriers contributed to an ongoing mental load, particularly when systems were complex, inflexible or required active monitoring.

This suggests that the accessibility of payment systems should not only be considered in terms of physical usability or interface design, but also the extent to which they minimise cognitive burden, reduce the need for constant oversight, and support predictable and manageable financial interactions.

For small merchants:

Businesses generally preferred solutions that integrated seamlessly with existing accounting, point-of-sale and reconciliation systems. Any new payment option would need to minimise disruption, require little training and fit easily within existing workflows. Even where current arrangements were not considered ideal, many viewed the effort, risk and administrative burden associated with switching providers as outweighing the potential benefits.

2.3.2.2. Security and confidence when transacting

Participants commonly reported concerns about scams, fraud and the security of their personal and financial information. This was expressed through:

- concerns about sharing payment details online or making payments to unfamiliar businesses, merchants or individuals where the legitimacy of the transaction could not be easily verified
- choosing payment methods that offered protections if something went wrong, such as chargebacks or fraud monitoring by banks, to improve the likelihood of recovering funds following a scam or fraudulent transaction
- frustration in situations where preferred payment methods perceived as offering greater protection, such as credit cards, PayPal or digital wallets, were unavailable
- maintaining low balances in transaction accounts or making transactions through credit cards to limit the risk of personal loss
- avoiding certain payment methods due to perceived scam, fraud or privacy risks. For example, some participants avoided PayID due to concerns about scams or the amount of personal information visible to others.

At its core, participants wanted greater confidence when transacting, including confidence that merchants and payment requests were legitimate, personal and financial information would remain secure, and appropriate protections would be available if something went wrong.

"I think there is a big fear of PayID. We offer it at work. It is a good option because there is no fees on it. But I think it's been associated with scammers, so I think it's very hard for some customers to be convinced that there's not something wrong."

Launceston, 40+ years

"I had to transfer the money to the person in my house on my phone, and the bank stopped transfer because of the scam alert. It wasn't a scam, but the scam alert process with [name of bank] was so good that they had to speak to me further, shut my account down, and they made me explain in great detail. I'm really happy for that. I was, I was happy with the inconvenience, but the scam alert meant I couldn't transfer the money until I'd answered all these questions. But then the money went through eventually to the person about half an hour later."

Perth, 55+ years

For small merchants:

Trust was important but was generally assessed through practical indicators rather than technical security features. Businesses tended to trust providers that were widely used, well-known, able to confirm payments quickly and dependable when issues arose. Businesses rarely undertook detailed assessments of payment providers and instead relied heavily on signals that a provider was established and commonly used. Businesses commonly relied on advice from other business owners, online reviews and industry networks.

2.3.2.3. Certainty

Participants expressed frustration when payments took longer than expected to be received, particularly where there was uncertainty about when funds would become available. Frustrations were particularly evident when:

- there were delays in high-value, urgent or important transactions, such as vehicle purchases, property-related payments or bill payments, where the consequences of payment delays were greater
- there was uncertainty about when funds would arrive due to varying processing times across financial institutions or payment methods
- delayed payments resulted in inconvenience, additional costs, late bill payments, or delays in accessing goods or services
- there were delays in peer-to-peer payments, such as splitting bills, repaying friends or family, or purchasing goods from individuals, where payments were expected to be received immediately to avoid uncertainty and social awkwardness
- there were delays in receiving funds, such as income, reimbursements or refunds, particularly where there was limited visibility over the status of a transaction or if funds were relied upon to make other payments such as paying bills.

Participants wanted greater certainty that payments would be received or reach the intended recipient when needed, clear visibility over the status of transactions, and confidence about when funds would become available.

"It would have been nice if it came up with a pending thing at the very least, like even if it hasn't gone through, I think if they just said, 'we're processing this incoming payment to your account' or something like that, that would be handy."

Launceston, 18-39 years

"For some reason I went to buy a part for a car, it was a couple of grand. 'Cos I hadn't dealt with it before, it just flagged it and said this could be fraudulent transaction. I actually rang the bank and said that it's me that this is all my security questions, blah blah blah. They said 'no, nothing we can do about it, it takes 24-48 hours', whatever it was. He just had to take my word for it that the money was going into his account and he would actually get it and luckily he trusted me enough. Eventually it went through but it did take time."

Townsville, 55+ years

For people with disability:

Payment delays (either being paid, or paying others) could create financial uncertainty, disrupt budget management and contribute to stress and anxiety. Reoccurring outgoing payments that were out of sync with incoming payments or did not seem simple to manage, added to stress and cognitive load when trying either to balance household cashflow, or handle complex cancellation processes.

For merchants:

Participants valued payment systems that supported efficient operations. Speed was important both at the point of sale and in the time taken for funds to settle into business accounts. Delayed settlements, failed transactions and payment uncertainty could create cashflow challenges and operational inefficiencies.

2.3.2.4. Reliability

Participants described situations where, banking services, EFTPOS terminals, internet connectivity or digital payment methods were unavailable when needed. This was one of the most common frustrations for low-value, in-person purchases that participants expected to make quickly with limited friction. The common consequences of payment system failures were:

- feelings of stress and pressure to produce an alternate form of payment that was not always available
- reliance on others to make the payment on their behalf or having to delay a purchase
- uncertainty around the status of a transaction potentially resulting in duplicate payments.

For some, these experiences reinforced the need to maintain access to an alternative payment option such as cash, in case their preferred option failed. This was slightly stronger for older participants who were somewhat more likely to raise this issue.

"The system could go down and you get charged twice and then you've gotta go and dispute one of them."

Darwin, 25-39 years

"...we'll go to like transfer money over because we keep our money in our savings right, and the app's just not working, like it'll be down for maintenance, we'll be in a spot with terrible signal and we're literally at the cash register, they're waiting, they're staring at us and we're like we can't transfer money over."

Launceston, 18-39 years

For merchants:

Businesses also identified dependence on internet connectivity as a key vulnerability. Outages and poor network performance could prevent transactions and lead to lost revenue, particularly for businesses operating in regional and rural areas.

2.3.2.5. Cost

The cost of transacting was a frustration across almost all groups, usually expressed in relation to fees and surcharges. For many, the frustration was not simply the existence of a fee, but rather:

- feeling forced into paying it because alternate payment options were not available (e.g. only accepting card payments which incur a surcharge)
- when payment costs were not transparent or differed unexpectedly between payment methods (e.g. different fees between different cards, or only being made aware of fees at the final stages of a transaction).

These experiences often prompted participants to alter their payment behaviour, such as choosing a different card or payment method if available. Frustration was greatest where fees appeared unavoidable, disproportionate to the transaction, or unexpected.

“That’s the other thing, the fees are ridiculous. It’s just got out of hand and at the end of the day there’s no human involved. So why are we paying these extra fees? It’s just out of control.”

Adelaide, 55+ years

“...but it’s not my \$5 coffee, it’s my \$5.14 coffee like there’s that 14 cents every, every coffee.”

Launceston, 40+ years

For merchants:

Decisions were primarily driven by cost. Small businesses used a mix of payment methods, most commonly bank transfers (including PayID), EFTPOS and card payments, and cash. While the mix varied by business type, merchants generally preferred lower-cost and more direct payment methods, with higher-cost options such as PayPal or American Express often minimised or avoided. Businesses were highly sensitive to transaction fees, monthly charges and cumulative costs, particularly in the context of broader financial pressures including wages, utilities and input costs. Participants expressed frustration that these costs were often unavoidable and increasingly difficult to pass on to customers.

2.3.2.6. Acceptance and flexibility

Participants were frustrated when merchants restricted payment methods or when their preferred payment method was unavailable. Examples of these situations included:

- websites that did not support payment platforms such as Apple Pay, Google Pay or PayPal, requiring participants to manually enter card details or take additional steps to complete a transaction. Some participants also perceived these platforms as offering greater security, meaning their absence could reduce confidence in the merchant
- refusal of cash, particularly among older participants, and where card payments attracted a surcharge

- where a preferred payment method was unexpectedly unavailable, resulting in having to delay a purchase or make an effort to source an alternate payment method.

“Annoying because I already ordered my toastie and they'd cooked it and then I was like, here you go [with a large bank note] and then it was like, ‘oh we're just a small business’. They couldn't take it. It was a whole ordeal. I had to drive home, get my bank card. I was actually in tears. I'm like, can you change this? And then I never went back to that cafe.”

Darwin, 25-39 years

“I used to get paid in cash. We decided to buy a new car so I'm like, ‘oh, I'll just take the cash... Anyway, they wouldn't accept it... I had to go to my bank and get a bank cheque, and it was just a pain.”

Melbourne, 40-54 years

2.3.2.7. Restrictions on accessing funds

When making high-value or urgent purchases, participants expressed frustration with:

- spending limits
- transfer limits
- restrictions or scrutiny when accessing large amounts of cash
- other restrictions or processes that prevent access to money when needed.

Participants often felt frustrated and stressed when they had sufficient funds available but needed to take additional steps to access it such as contacting their bank, increasing limits, splitting transactions or delaying purchases until they could access the amount required. For these participants, the issue was related to a lack of autonomy and control over how their funds could be accessed and used.

“And if you try to take too much out of the bank in cash, you get questioned about what you want it for.”

Brisbane, 55+ years

“The [name of bank] decided to bring in their two-factor authentication before you even can get into your account. If you lose your phone, like my phone buggered up, so therefore my two-factor authentication didn't work, and I couldn't get into my own accounts. I had to ring them and get it turned off. I was fuming.”

Brisbane, 55+ years

For First Nations:

Participants described a range of practical challenges when accessing and using banking services. Participants shared frustration about experiences that they had with banking staff, in-person and over the phone, or having difficulty withdrawing a large amount of cash from the bank. Participants perceived staff at physical bank locations to not trust Aboriginal and Torres Strait Islander peoples. Participants also expressed concern about the difficulty that older people have providing adequate identification documentation (e.g. 100 points of ID, birth certificates, signatures that match what is on file). Having more Aboriginal and Torres Strait Islander people working in customer service at banks and making decisions about banking was seen to be a potential solution to these challenges.

2.3.2.8. Control and visibility over recurring payments

Participants often viewed recurring payments, subscriptions and direct debit arrangements as convenient, particularly where they reduced the need to remember important bills and helped ensure payments were made on time. However, common challenges related to maintaining these services included:

- payments becoming difficult to monitor, manage or control due to reduced visibility, resulting in forgotten subscriptions, unexpected payments or household cashflow challenges
- subscription prices increasing without adequate notice, reducing awareness of ongoing financial commitments
- payments failing due to inadequate funds, expired cards, outdated payment details.

While participants perceived payment reminders to be rarely provided, they were considered useful for maintaining oversight of recurring charges and reducing the likelihood of missed or unexpected payments.

"I've had payments coming out because I don't check my accounts very much. I'm a bit like that and so I've been making reoccurring payments to things I no longer have and didn't want without noticing for quite a while."

Launceston, 40+ years

"And if you haven't updated your details properly, your expiry date and things like that on your credit card, it'll reject it. So you have to make sure that everything's up to date."

Townsville, 55+ years

2.3.2.9. Proof of payment and record keeping

Participants expressed a clear need to be able to verify payments when required. While most payment methods, particularly digital payment methods, provided some form of transaction history or payment record, frustrations arose where participants felt there was insufficient evidence that a payment had been made, received or processed correctly. This includes information on the status of payments as well as payment receipts. Payment records were particularly valued:

- in high-value transactions, purchases from unfamiliar merchants or individuals, Facebook Marketplace purchases, bill payments or other situations where disputes could arise
- as proof of purchase in case a reimbursement is required and as a back-up to paper receipts provided by merchants
- for visibility over the status of transactions and reassurance that payments had successfully reached the intended recipient
- to support budgeting, record keeping, and personal financial management.

"Occasionally I've bought something, like I've had some cash from Christmas one year and I went and bought some dresses, and then I had to return them, and I didn't get a receipt. They were like "oh if you'd paid card we would have the record and we could match it with your card". So, it's not so much I couldn't spend it, but I couldn't get the exchange if I didn't have the proof of purchase."

Perth, 18-24 years

For people with disability:

Participants expressed unease about relying on others to help them manage payments, particularly where they lacked confidence in the trustworthiness of those providing assistance. As a result, some placed particular value on payment methods that provided clear transaction records, receipts or immediate confirmation that a payment had been completed successfully.

3. Do the potential features of digital money address Australians' payment needs or create new opportunities?

Prior to introducing the idea of a retail CBDC directly, two potential features that a retail CBDC could have were explored, to establish overall appetite for these features. Of particular interest, was whether these potential features addressed specific payment needs, or were thought to create new opportunities for Australians.

Across sessions, order of presentation of 'offline payments' versus 'privacy' were rotated to reduce order effects and to ensure that each could be sufficiently explored across sessions. In this report, offline payments are discussed prior to privacy.

3.1. Key Findings

Support for an offline payment feature was mixed and declined once limitations were known.

Participants had significant questions about how the feature would work in practice, how secure it would be and what benefits it could provide compared to existing methods.

Enthusiasm generally decreased once limitations were discussed. The potential loss of funds was the most salient concern.

Overall, participants recognised potential value in emergency situations but were divided on whether the functionality offered sufficient day-to-day benefit to justify its use.

Participants generally supported improved payments privacy but viewed data collection as an unavoidable part of digital payments.

Many participants viewed cash favourably because it does not generate a digital trail.

Concerns about payment data were widespread but typically moderate, with many viewing data collection as an unavoidable aspect of modern digital services. While most understood that digital payments generate data, understanding of what information is collected, who can access it, and how it is used was often incomplete.

Personal data was generally considered more sensitive than transaction data due to perceived risks such as fraud, identity theft and misuse of personal information. Participants also recognised benefits associated with transaction data, including fraud detection, budgeting tools and proof of payment.

Participants generally supported improving privacy within the payment system but also recognised the benefits of data sharing and the increasing difficulty of avoiding data collection entirely.

3.2. Offline payments

3.2.1. Consideration of payment reliability

Research participants were asked to specify how much thought they had previously given to what would happen if their preferred payment methods were unavailable, using a scale from 0 (no thought at all) to 10 (very conscious of this). Findings from this question, for the general community focus groups, are illustrated in Figure 1, below.

As illustrated, research participants were distributed across moderate levels of consideration, with a slight skew towards higher levels of consideration.

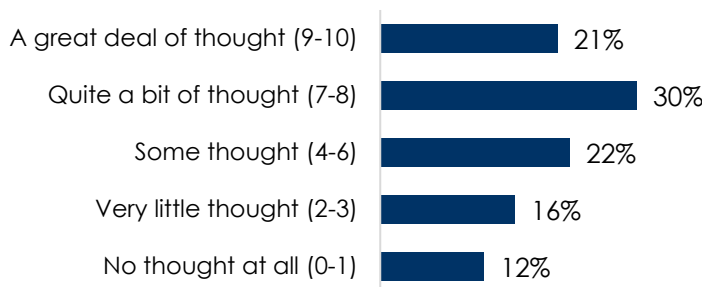


Figure 1. Consideration given to payment reliability

Question: Before today, how much thought have you given to what would happen if you preferred payment methods were unavailable or didn't work properly? (Base: n=141)

Indicatively, noting small sample sizes, the amount of consideration was somewhat higher amongst:

- those who lived in regional or remote areas, compared to those who lived in a major city
- those with lower rather than higher digital confidence.

Interestingly, differences by age were negligible.

Participants were also asked to consider what they would do if they found themselves in a situation during travel, when card systems failed and they did not have access to sufficient cash. Many participants responded that it would be unlikely that they would be caught travelling without a backup payment option – usually cash. Importantly, participants reported that travelling would be a situation where they are more likely to prepare in case something were to go wrong, while reports of a similar level of planning for day-to-day purchases were less frequent. Some suggested that they would leave something of value as collateral or provide their contact information to then come back and make the payment when systems were back online. Others suggested they would try and find an alternate method such as a bank transfer or asking a friend for help, or simply wait for the system to be accessible again. A small number of participants had not considered this and did not know what they would do if caught in a similar situation.

Those in locations prone to weather events, or those travelling to regional or remote areas were more likely to be conscious of planning for potential disruptions and having a backup payment option available.

“We’re in a town, a remote town. That could be days potentially because, you know, due to weather you’re flooded in, or for whatever reason, emergency services can’t get to you, and then you’re stuck and whilst having these online, non-physical payment methods are convenient, when technology fails, it fails.”

Remote

“Yeah, I would say definitely if I’m going travelling within Australia, I’ve always got cash with me. I go to regional Australia a lot and you need cash. There’s some places that will not accept card or Apple Pay or anything like that.”

Brisbane, 18-24 years

3.2.2. Baseline attitudes towards offline payments as a potential feature

Participants were shown stimulus material describing a potential offline payment feature and asked to discuss perceived benefits and limitations. Until further clarification, participants most commonly interpreted the concept as a mobile payment functionality, rather than one linked to a physical card. As a result, much of the feedback provided on this feature reflected this assumption.

Initial reactions ranged from highly positive towards the possibility of a backup option and the peace of mind it would bring, to sceptical about how it would work in practice. The most common reaction was raising questions such as:

- How would the feature work, and how is it different from what already exists?
- How secure, private and scam-resistant is it?
- How easy and convenient would it be to use (ease of set up, transfer limits, compatibility with Android/Apple, lost or destroyed devices)?
- What are the costs and fees of using this?
- What kind of account does this money sit in, and can I gain interest on this money?
- Will it allow me to keep track of my transactions?
- Will it be widely accepted?

By far, the most common questions related to how the feature would function and what it would offer that is not already available. This appeared to be a significant barrier for many research participants who reported that not enough information was provided to make a considered judgement on whether the feature would prove useful to them personally. Others saw little benefit and described it as “cash with extra steps” or were concerned with how secure the feature would be, especially against skimming.

“If you can transfer the money by touching the other device, can they also steal other information? It’s like stealing the cash from your wallet.”

Sydney, 40+

For First Nations:

In addition to the questions mentioned in the section above, some research participants also questioned who would be allowed to hold an offline account and who would oversee or control the offline accounts. The general sentiment was that the government would not introduce this feature without some benefit to themselves, and some participants speculated that this benefit would be more control over citizens.

Participants in the Melbourne focus group also negatively associated the concept of government involvement in payment systems with government issued welfare payment cards, like the BasicsCard.

For small merchants:

Offline payment functionality was consistently viewed as a compelling feature. Participants recognised its potential to address a clear and existing gap, particularly in regional areas or during situations where internet connectivity is unreliable or unavailable. Experiences of outages, including natural disasters and network failures, reinforced the perceived value of having a payment option that can operate independently of digital infrastructure to preserve business continuity.

For people with disability:

Some participants expressed conditional and cautious support for offline payment functionality. While most were not strongly opposed, participants did not identify offline functionality as a priority improvement to the current payment system to better meet their needs.

For those who did perceive benefits, these related to:

- it being a good back-up option in cases of emergency
- the ease of tapping phones to transfer money to family and friends
- it being attractive if it was fee-free.

"I guess I'm OK about it. I don't think I would particularly use it, but the last part where you just transfer money to your friends and family with just like tapping your phones, I think that'd be cool. That's something I would use. That's the feature."

Perth, 18-24

"I think that's good, it sounds like a backup plan. Like even now I use my digital wallet a lot, but I always carry a card as well, just in case."

Launceston, 40+ years

The main benefit that participants reported was that it would be a good backup in emergencies. However, this was seen as a rare occurrence for most, so not all who saw the benefits, reported that they would use this option themselves.

3.2.3. Reaction to trade-offs

Research participants were asked to specify how much of a benefit it would be to make offline payments, using a scale from 0 (not at all beneficial) to 10 (hugely beneficial). They were asked twice – once before and once after being provided more detail on how offline payments would work. Findings from this question, for the general community focus groups, are illustrated in Figure , below. While there was not a clear consensus about the feature's usefulness, initially, around half found it to be very or hugely beneficial. However, after research participants were introduced to the practicalities of offline payments, perceived benefit of the feature typically decreased.

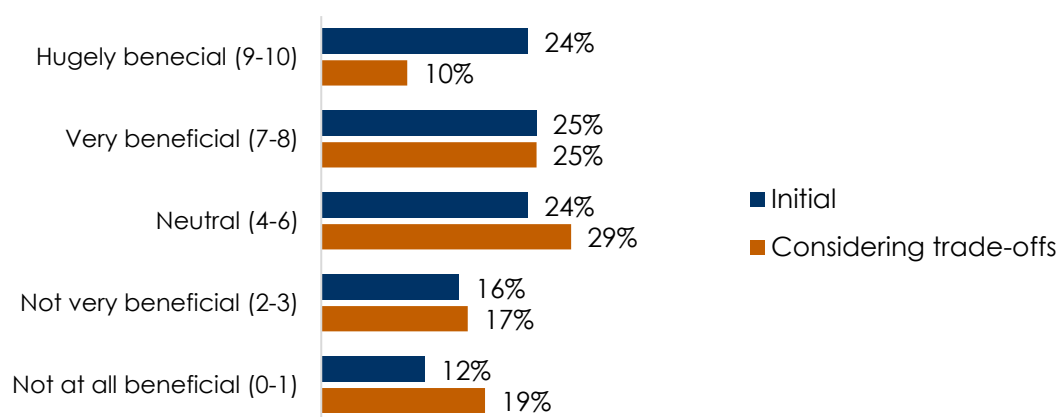


Figure 2. Considering the trade-off's and perceived benefits of being able to pay digitally (including when offline)
NOTE: Series appear top to bottom in legend order

Question (initial): How much of a benefit is it, to be able to pay digitally, even when you're offline? (Base: n=143)

Question (trade-offs): and knowing the likely practicalities, how much of a benefit do you consider this to be? (Base: n=142)

Indicatively, at both times, the perceived benefit was somewhat higher amongst those under high financial pressure, and lower amongst those with low digital confidence, and those who live in a major city. Perceived benefit was somewhat lower among those over 40 years of age when considering the trade-offs.

After considering the potential limitations, one of the most significant concerns was the risk of losing money if the device was lost or stolen. This concern was raised across most groups and reflected the difficulty many participants had in understanding the concept. Unlike the digital payment systems they were familiar with (which provide access to funds held in an account), participants struggled with the idea of value being stored directly on a device, and the possibility that those funds could be permanently lost if the device could not be recovered. This also brought up safety concerns and perceptions that this could encourage an increase in theft of devices.

"I think the other thing that would be a concern for me is like that last point, if your device or card is lost. I just wonder if there would potentially be a scenario where people would then consider stealing phones more often. For the chance that like there's passwords and all that sort of thing on the phone."

Brisbane, 18-24 years

"If you were just gonna save it for when there's a cyclone coming and you are preparing for an outage, then the risk of loss is kind of amplified because it could get damaged from rain or you drop it in the puddle of water or something and then if it's gone. In a country where we're lucky to have physical currency that is resilient to that sort of stuff"

Townsville, 25-39 years

In addition to this, needing to pre-load funds was considered an additional step that would require planning that many could not see themselves engaging in, or that they would need to have money sitting in an account that wouldn't be gaining interest. Of further concern for some participants was that power can be disrupted for days or weeks at a time during a weather event, limiting opportunities to reload money if funds were depleted.

“Preloading money makes sense, but if it's being marketed as an offline payment solution, then I think when people are in that like emergency stage and they need money quick, and they can't access the internet, if they've got no money on there, then they're stuck anyway. So you're gonna have to go back to something physical or find a connection.”

Perth, 18-24 years

Some participants indicated that they would expect flexibility in payment limits, rather than a single limit being applied universally. Less frequently, participants also raised concerns that funds received while offline could not be spent until connectivity was restored. However, these concerns were generally confined to emergency or exceptional circumstances and were not viewed as a limitation on day-to-day use.

Overall, views on whether Australia should pursue this functionality were mixed. While many participants could identify potential benefits of offline payments, these were generally limited to emergency or contingency situations, such as internet outages or natural disasters. A small number of participants also saw broader value in the concept, suggesting it could help manage children's spending by allowing specific amounts to be loaded onto a device, or provide a more convenient alternative to carrying large amounts of cash.

Despite recognising these potential benefits, many participants questioned whether the functionality would offer sufficient value in their day-to-day lives to justify downloading an app and using it. Emergency scenarios were viewed as relatively rare, reducing the perceived need for the feature. Furthermore, support was tempered by a range of unanswered questions and concerns. Safety and security considerations were particularly salient, with participants consistently indicating that any future solution would need to clearly demonstrate that funds could be stored and used securely before they would be willing to adopt it.

“If it's literally no different to cash, I probably wouldn't use it, even though I'm a primarily card, not cash user.”

Mildura, 40+ years

For First Nations:

Most research participants (13 out of 19) said that they do not think that the RBA should look into creating offline accounts. Participants had many questions about how it would work and were sceptical about increased government control, surveillance and the rationale for introducing the proposal. Participants were also concerned about the impact on people who are less digitally and financially literate, such as making it difficult to access money or creating opportunities for malicious actors to scam vulnerable people.

3.3. Privacy

The privacy ‘deep dive’ within the focus group discussions commenced with an educative component to ensure all focus group participants understood fully what was being discussed. In particular, it was confirmed that when you sign up for a digital method of payment like a credit card or digital wallet, the issuer (e.g. bank) collects personal information to set up your account and that when you make a digital payment, payment (transaction) data are generated.

Research participants were asked to specify how much thought they had previously given to the amount of data associated with the payment methods that they use, using a scale from 0 (no thought at all) to 10 (very conscious of this). Findings from this question, for the general community focus groups, are illustrated in Figure , below. As illustrated, research participants were fairly evenly distributed across the higher levels of consideration, with relatively few people saying they had given little or no thought to this issue. Indicatively data consideration was somewhat higher for those with low digital confidence, low payment literacy, and those over 40 years of age.

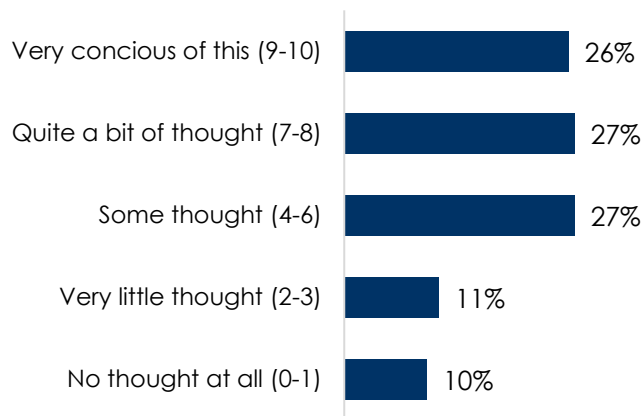


Figure 3. Consideration of data associated with payment methods

Question: Before today how much thought have you given to the amount of data associated with the payment methods you use? (Base: n=146)

Research participants generally reported having given some thought to payment data before the discussion, but the amount of thought given and degree of understanding of payment data differed substantially. Understanding of payment data tended to be low and incomplete. For example:

- most appeared to understand broadly that data is being generated when people pay digitally, but not necessarily exactly what data
- payment data was often conflated or confused with broader digital data collection and concepts such as digital security, login credentials, and loyalty scheme data
- research participants expressed uncertainty about who can access their payment data, and what banks see, what merchants see, and how payment companies such as Visa or Mastercard, or Fintechs like PayPal, fit into the picture
- few were able to comment on how they thought the amount of payment data generated differed across payment methods.

Participants frequently described payment data as something that they knew existed but rarely think about day to day. Situations in which people reported being more likely to think about payment data included:

- when signing up to something, for example, applying for a new payment method or opening a bank account, because they were being asked to provide information, such as show ID
- when dealing with unfamiliar or dubious merchants, for example, when buying from unfamiliar or overseas websites, using Facebook Marketplace, with concerns centring on fraud, identity theft, or sharing of personal information with strangers.

To note, when asked, research participants reported, at best, merely skimming privacy statements and terms and conditions when signing up for a payment method. Reasons given for not reading this material related to perceived cognitive burden, with materials described as too long and too complex, with small text and difficult wording. Just as commonly, however, research participants put forward the view that there was little point in reading privacy statements, given lack of choice but to accept the terms and conditions, in order to use desired products.

Many participants appeared to infer what is collected and by whom from personal experience. This included from experiencing targeted advertising, receiving overseas transaction warnings, receiving fraud monitoring alerts, or experiences of being personally scammed.

The overall picture they tended to piece together was that their data is being collected, companies know a lot about them, their data may be sold, their data may be used in unauthorised ways, and their overall privacy is declining.

For people with disability:

Participants placed a particularly high value on having the option to make payments privately, often comparing this benefit with cash. Participants considered it important to have the choice for privacy in their transactions. While they wouldn't necessarily opt for all their transactions to be made anonymously, this choice helped participants feel they had retained control over who could access information about their transactions and how their spending was monitored.

3.4. Concern about the generation and sharing of payment data

Many participants expressed some concern about payment data, although concern was generally moderate rather than acute. Few appeared to think about it regularly or had changed their behaviour as a result, such as by using cash for its anonymity. For many, data collection was viewed as the price of accessing digital payment services. This sense of resignation was particularly evident among younger participants, who often framed data collection as normalised and unavoidable.

Personal data was more top of mind than transaction data and was generally considered more concerning, particularly where inappropriate use of this data was perceived as enabling identity theft, fraud, scams, or impersonations, or as posing safety risks (such as enabling someone to come to one's home).

Participants were generally less worried about transaction data compared to personal data. Some could see transaction data being a necessary or useful feature of digital payments and bank accounts, rather than a threat. Benefits of transaction data put forward included:

- personal benefits, such as budgeting tools, proof of payment and dispute resolution, providing a means to track and manage payments, and enhanced shopping experiences
- wider benefits, such as fraud detection or identifying scams, or even helping locate missing people or help prevent crime (such as money laundering).

That said, many research participants still had worries about transaction data. While they could see benefit or necessity in it being collected, there was some unease about how it was being analysed, linked, shared or sold. Particular concerns raised included:

- general invasion of privacy, companies being able to build a profile of consumers
- when linked with personal data, enabling government visibility of spending, with possible tax and other implications
- banks monitoring spending with potential negative impacts such as reduced ability to take out loans
- anger over companies selling data and profiting from consumers
- among a few, targeted and invasive advertising (although some liked tailored advertising).

A small number of very privacy-oriented participants were altogether very worried about transaction data and are as concerned about this as they were about personal data.

"I think it probably goes two ways. In some ways no, you don't want them having too much information about you, but on the flip side, you probably want them to have as much information as they need to learn your spending if you are potentially being frauded or scammed, so that they can actually flag it before you notice it yourself. So I guess it's a double-edged sword really, isn't it? "

Launceston, 40-54 years

3.5. Baseline attitudes towards enhanced privacy as a potential feature

As a wrap up exercise near the end of discussion of payment data and privacy, research participants in the general community groups were asked to specify how important it was for them personally to have at least one option to make a digital payment without sharing payment data. They were asked this question twice, with respect to personal and transaction data separately.

As illustrated by comparing across Figure 4 and Figure 5, below, research participants were more likely to feel it important to have an option to make a digital payment without sharing personal data, than to have an option to make a digital payment without sharing transaction data. In both cases, at least half felt it very or extremely important to have such an option.

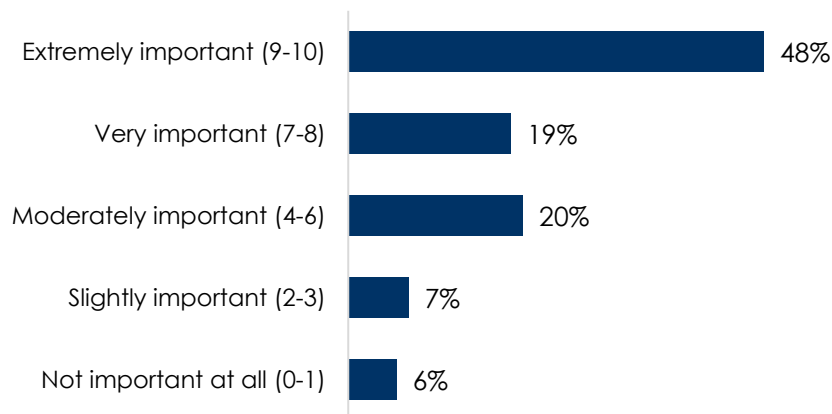


Figure 4. Importance of having a digital option that doesn't share personal data

Question: How important is it to you to have at least one option to make a digital payment without sharing information about yourself (i.e. personal data)? (Base: n=143)

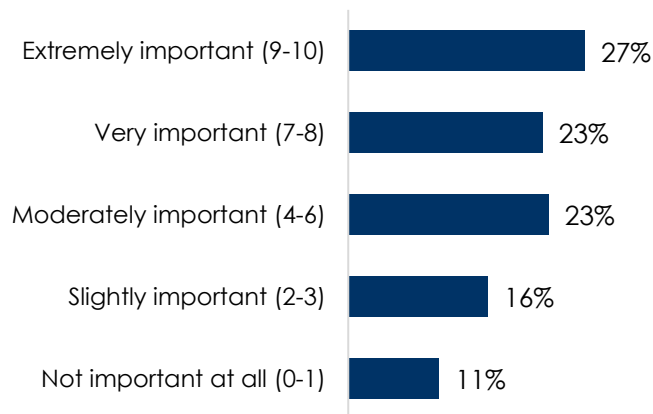


Figure 5. Importance of having a digital option that doesn't share transaction data

Question: How important is it to you to have at least one option to make a digital payment without sharing transaction data? (Base: n=142)

Indicatively, the importance of having a payment option that doesn't share personal data was somewhat higher for those with low payment literacy, high digital confidence, and those over 40 years of age.

Indicatively, the importance of having a payment option that doesn't share transaction data was somewhat lower for those with high payment literacy, and those who live in a major city.

A range of views were put forward when participants were asked if they supported Australia looking into ways to make payments more private. Broad support was typically expressed, but generally with only moderate strength of feeling. On the one hand, there was a desire for greater privacy and control, but on the other hand, there was some resignation that they had already lost control, as well as a recognition that data sharing can provide benefit and protections.

For people with disability:

Participants did not typically discuss privacy, security or trust as isolated concepts. Instead, these were consistently framed in terms of how much control individuals have over their money, the visibility of their transactions to others and whether they can act independently when making payments. Therefore, in the context of payments, privacy was not only understood as data protection, but as a mechanism through which control is maintained.

4. What are the perceived concerns, benefits and overall attitudes to a potential digital Australia dollar?

Primarily, this consultation sought to explore whether Australians may have unmet payment needs that could potentially be addressed through the introduction of a retail CBDC for use in everyday payments. The opportunity was taken to assess overall attitudes to a potential retail CBDC, as well as perceived benefits and any concerns Australians may have. To this end, as the final topic explored participants were introduced to the concept of a retail CBDC (termed in the focus groups a digital Australian dollar) and invited to discuss their views on it. Facilitators made clear to research participants that the RBA was in the very early stages of exploring this idea and whether it could be useful in Australia, and that no decisions had been made in this respect.

4.1. Key Findings

Initial reactions to a digital Australian dollar were muted.

Initial reactions were dominated by confusion about how a digital Australian dollar would differ from existing digital payment methods and what problem it would solve.

Few participants had heard of retail CBDC and of those that had, knowledge was low.

Participants perceived some potential benefits but mainly had unanswered questions.

The most commonly identified potential benefits were offline payments and greater privacy. This finding, however, should be interpreted in light of the detailed discussion of these features earlier in most focus groups, which may have increased the salience of these benefits when participants subsequently considered a digital Australian dollar. Convenience, having an additional payment option, particularly in emergencies, and government backing were also viewed positively.

Key concerns centred on the lack of a clear use case, practical usability challenges, the risk of losing access to funds, increasing reliance on technology, and fears that a retail CBDC could contribute to the discontinuation of physical cash.

Perceptions of too much government control and reduced privacy (compared to cash) were also raised as concerns by some (noting that government oversight and privacy were considered by others as benefits). These were significant concerns for people with disability and merchants.

Cost was also discussed as both a potential benefit and drawback, with some expecting lower payment costs while others questioned the cost to taxpayers and businesses of implementing the system.

Overall sentiment toward a digital Australian dollar was mixed although negative responses were slightly more common than positive responses and many participants were indifferent.

4.2. Baseline knowledge of digital version of cash

Participants in the general community focus groups were told that many countries, including Australia, are exploring a digital version of cash issued by the central bank. It was described as a way for people to still have access to government-issued money in the digital world and as providing a 'safe, easy-to-use' alternative to payment methods issued by banks and private companies. They were told that digital cash would be designed to sit alongside banknotes and coins and other existing money and would seek to complement rather than replace them.

Very few research participants reported having heard of this type of digital cash before, and fewer still could supply any real detail around what they knew. Some had heard of a digital currency in China. Some perceived this was something relevant to developing countries.

"I've heard of the idea but nothing concrete. It's been talked about for a bit. Since cryptocurrency was meant to be that, but they're not regulated or stable enough."

Melbourne, 18-39 years

4.3. Initial reactions to description of a digital Australian dollar

In the general community focus groups, research participants were shown a video explaining what digital cash, called in this video 'a digital Australian dollar', could be and what it could look like. They were told that the RBA was interested in whether such an option could address any unmet needs that they had identified or that they may not have thought of yet.

The most common initial reaction centred on confusion. Participants provided the feedback that they weren't sure how this would work in practice, how this offering would differ from existing payment methods (including any unique benefits), and ultimately why this would be needed in Australia.

"Not sure what the point is if it's pretty much the same as a bank account."

Melbourne, 40-54 years (notepad exercise)

"Feels like we already have it and it'll be another thing to keep track of. Aus Post do something similar – prepaid card."

Sydney, 18-24 years (notepad exercise)

Beyond this, sentiment was somewhat divided between positive and negative.

Many expressed curiosity about, and seemed cautiously open to, the idea of a digital Australian dollar, but relatively few were outright enthusiastic.

"Sounds good in principle. Could be useful in some situations but unlikely to use it... Still a good idea."

Adelaide, 55 years + (notepad exercise)

"I think that it'd be great to have this as an alternative/competition to the existing offshore private payment companies e.g. PayPal & Google Pay. Very interested."

Perth, 18-24 years (notepad exercise)

Others seemed hesitant, suggesting this wasn't needed or shouldn't be a priority, with a few expressing strong negative reactions, including that this was a first, unwelcome step, toward a cashless society. Some were sceptical about the RBA's motives, or who this would really benefit.

“Stupid, just doesn't make sense for everyday consumer.”

Melbourne, 40-54 years (notepad exercise)

“Obviously good to innovate with tech/fintech but it is a new concept and my concern is does it replace or will it phase out cash?”

Launceston, 40 years + (notepad exercise)

Research participants had a range of questions for the RBA. Themes emerging within these questions included:

- How is this different from existing digital payments, such as using a pre-paid card, a debit card, or bank transfers?
- What will be the unique benefits offered by this?
- How would this work in practice? Where would this money be stored, how can a digital payment method possibly work offline, and would it would work overseas?
- What would it cost, and who would pay? What would be the cost to merchants, consumers, and taxpayers?
- How private would it be?
- How secure would it be?

For First Nations:

The general reaction from research participants was cautious and sceptical. In addition to the questions detailed in the section above, First Nations participants wanted to know who would be eligible to open an account and what would happen to money stored over a long period of time. Some also questioned the motivation of the government, reflecting a sentiment of scepticism towards the government's involvement in money systems.

For people with disability:

This section of the community was overall more sceptical towards the digital Australian dollar than the general population. Where participants expressed openness, it was typically conditional on it being optional, cash being retained, and the system being simple and accessible. Many participants in this cohort expressed concern about what the introduction of the digital Australian dollar would mean, particularly regarding the perception that it would increase the visibility of their transactions. The result of these concerns was distrust and scepticism around the intentions of introducing a new option and what the wider outcomes might be into the future.

For new migrants:

Experiences with different payment systems didn't necessarily impact interest in a digital Australian Dollar within this research. Throughout the discussions, participants positively referenced products and features from other jurisdictions. However, this did not translate into appetite for improvement in Australia. Notably, participants did not suggest that a potential digital Australian dollar, as presented, would deliver the same level of benefit as the other options they were accustomed to.

For small merchants:

Initial reactions to the digital Australian dollar also largely aligned with the general population in that there was limited perceived use-case, due to a lack of clarity around what would be offered in addition to what is already available. Unlike the general population, there was a strong undercurrent of scepticism, particularly regarding the motivations behind its introduction and the potential implications for businesses and consumers. Distrust of the government and its support of small businesses was a key initiator of this scepticism.

4.4. Perceived benefits

In the general community focus groups, research participants proceeded to brainstorm the benefits they thought this new money could provide to them and their families. Once a list was created, each person was then given the opportunity to 'vote' for what they considered to be the most important of the benefits identified. Analysis of findings from this activity revealed the following as the key perceived benefits of the digital Australian dollar, listed in decreasing order of ubiquity:

- offline payments, or the ability to pay without power or internet
- privacy, or reduced traceability (noting that participants were primed to think of both offline payments and privacy given earlier detailed discussions of these topics)
- convenience and ease – convenience of not carrying cash, ability to access it through familiar devices such as a phone or card
- an emergency backup, or 'another option', that is, an alternative to debit/credit cards
- lower cost, or no fees or surcharges at all to consumers (this was an assumption that some people made despite not being stipulated in the information provided – it was assumed that this would be what made the digital Australian dollar a useful complement to current digital payment options), with some also assuming this would be a cost-saving to the Australian government where cash was phased out, eliminating printing costs
- security (not hackable) and lower theft or loss risk (compared to cash)
- government-backed, guaranteed or regulated

“One would hope that it would be then heavily government regulated, you know, and not so open to scams and, you know, profit making.”

Launceston, 40-54 years

- moving with the times, innovative, future-oriented
- retains value – maintains a stable-one-to-one relationship with the Australian dollar and does not fluctuate in value like cryptocurrencies
- provides competition to existing private payment companies, may reduce the influence of banks or put pressure on banks to improve their offerings to customers.

For First Nations:

Research participants generally felt there were limited benefits to a digital Australian dollar compared to the existing payment systems. An offline payment feature was understood to be a potential benefit, however there was a lack of clarity over why a new payment method was needed to address a relatively rare issue. Some were also sceptical about whether this benefit could address the needs of people living in very remote regions.

For people with disability:

Relatively few benefits were expressed. A few identified potential accessibility benefits such as not having to go to an ATM or manage 'fiddly' cash, however accessibility was not a common benefit raised, nor were specific accessibility features presented as part of the digital Australian dollar information.

For small merchants:

The key benefit was seen to be offline functionality which for some was a significant benefit that would ensure continuous trade even during system failures. Additionally, lower transaction costs were perceived as a potential benefit, however understanding of how this could practically look was limited. Many reported that their expectation would be a no-cost option given their perception that cash is no cost. Some shared that even if the option was not no-cost, the cost would need to be significantly cheaper than options currently available to incentivise adoption.

4.5. Perceived drawbacks

Research participants were subsequently asked to brainstorm any drawbacks they could see, or concerns they may have, about this potential new form of money. Again, once a list was created, each person was then given the opportunity to 'vote' for what they considered to be the most worrying drawbacks or concerns. Analysis of findings from this activity revealed the following as the key perceived drawbacks of the digital Australian Dollar, listed in decreasing order of ubiquity:

- unclear need or lack of use case – not clearly different than and no clear benefits beyond existing payment methods, and complexity being added to a system that is already working well
- concerns about cost – including the cost associated with developing the Digital Australian dollar (cost to taxpayers), costs to businesses (infrastructure and ongoingly), and fees/surcharges passed on to consumers
- concern about it being government issued, in terms of this being an example of government overreach or government being given the tools to track citizens, with concerns also put forward about reduced privacy and control relative to cash
- practical usability and friction – concerns about the need to preload, the trickiness of working out when to pre-load or how to anticipate needing this reserve cash, disappointment about transaction limits, and uncertainty about how to register for digital cash
- risk of losing access to money if the device on which it is preloaded is lost or stolen
- concern, fundamentally, about society's increasing reliance on technology, and worry about needing a compatible, reliable, newer model phone, and keeping one's phone charged

- impact on future availability of cash – concern that this is a first step towards a shift to a cashless society, worry about reduction in the cash economy and consumers losing cash discounts, and also that loss of physical cash could reduce financial literacy with digital cash further distancing people from physical money and making spending less tangible
- financial drawbacks of using the digital Australian Dollar (noting these participants were not necessarily themselves using physical cash) – such as displeasure that preloaded money is 'tied up' and no longer in an account that has an offset feature or is earning interest, with some saying they would prefer to continue using a credit card to delay when they pay for items (and to accrue reward points)
- digital exclusion – concerns expressed about people without technology, older people, homeless people, or those who may find digital systems harder to access
- security and cyber-security risks – general concerns about security, hacks and data breaches
- liability and consumer protection – queries about who is responsible if funds are stolen or systems are breached.

For First Nations:

In addition to general concerns related to online payment systems, a key concern for participants related to the digital Australian dollar was the potential for increased government surveillance and control. Additionally, there was concern about the increasing complexity and digitisation of financial systems increasing vulnerability for older people and those with low levels of digital literacy. They noted that education would be required to ensure people do not get scammed or exploited.

For people with disability:

Participants presented a range of concerns beyond a lack of use case (although this was still a key drawback). Primarily, concerns raised related to security and privacy, including whether the government would have the ability to monitor and control spending. Some concerns were also raised in relation to whether the system would be accessible for people with disability or the elderly given it will be digital. Cost was also considered a drawback but generally related specifically to potential fees associated with individuals using the system, rather than infrastructure costs.

For new migrants:

Some described a digital version of cash potentially adding unnecessary complexity to the system with limited obvious, material benefit.

For small merchants:

Concerns about privacy and loss of anonymity were the most prominent drawbacks identified, with many small businesses expressing discomfort about the potential for transactions to be monitored or tracked. This was closely linked to broader concerns about government control, including fears of restrictions on spending or increased oversight of financial activity. Another key drawback specific to the merchant experience was the perceived administrative burden of adopting and integrating a new system which may overcomplicate existing processes that aren't perceived to currently contain significant gaps in functionality.

To note, fieldwork with merchants took place relatively soon after the RBA announced a ban on card surcharges (effective October 2026), ending the practice of merchants passing credit and debit card processing fees onto consumers. Within this consultation, a number of merchants linked the banning of card surcharges to a perceived push by the RBA to introduce a digital Australian dollar, and drew erroneous conclusions about motivation, unfavourable to the RBA.

4.6. Considered views

After considering both benefits and drawbacks of this potential new form of money, research participants across both the general community (n=128) and targeted focus groups (n=89) took a vote on the idea of a digital Australian dollar issued by the central bank. The results of this vote are presented in Figure , below.

As illustrated, overall sentiment was mixed although negative responses were slightly more common than positive responses. General community participants were more receptive to the idea than participants from the targeted focus groups.

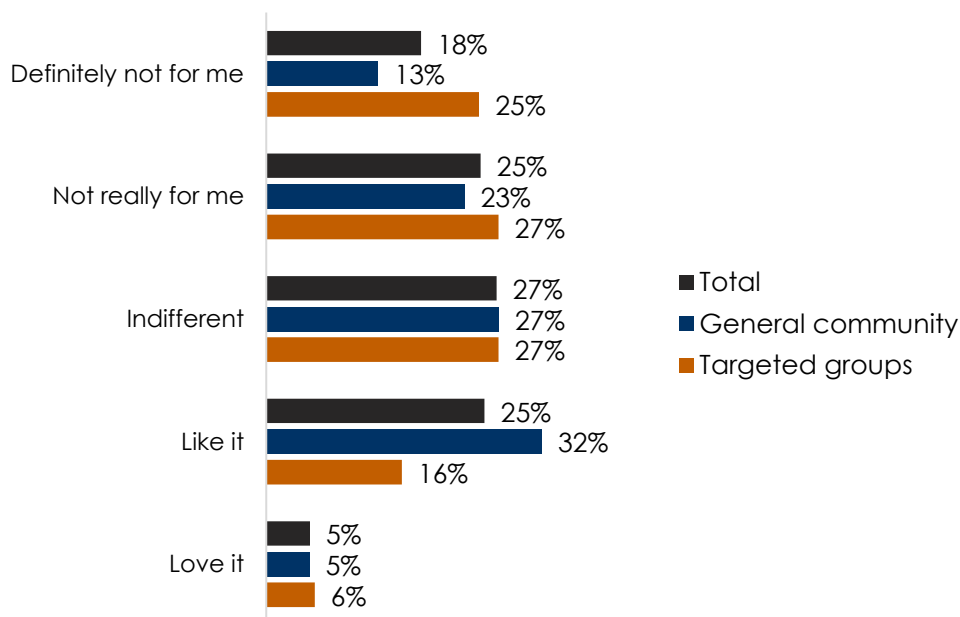


Figure 6. Sentiment towards the digital Australian Dollar

NOTE: Series appear top to bottom in legend order

Question: Which of these statements feels most applicable to you regarding the digital Australian Dollar; love it, like it, feel indifferent, not really for me, definitely not for me? (Base: Total n=217. Community groups n=128. Targeted groups n=89.)

Indicatively, sentiment towards the digital Australian Dollar was somewhat more positive for those with high digital confidence, and low payment literacy. Sentiment towards the digital Australian dollar was somewhat more negative for those with low digital confidence.

Those who indicated that they liked or loved the idea, typically could clearly articulate a benefit that mattered to them, and this was most commonly greater privacy compared to other digital payment options, and offline functionality, noting both of these were features described to research participants in greatest detail. Those who were indifferent or rejected the idea, tended to struggle to see how this really differed to what was already available or to identify a compelling benefit, or else focused on a downside, such as worry about the cost of introducing it, or it potentially leading to the loss of physical cash.

For First Nations:

Most (11/19) said the digital Australian dollar was not for them due to concerns around the complexity of existing financial systems and increased government control. Some (6/19) were indifferent wanting to know more information or indicating that it would benefit younger generations. A small number (2/19) liked the idea and expressed openness to technological advancements and ease of use.

For small merchants:

Considered opinion of the digital Australian dollar was often more cautious and, in many cases, negative than the general population. While some participants acknowledged potential benefits, particularly in relation to low cost and offline functionality, these were generally outweighed by concerns and uncertainties. Most participants indicated that they would not be early adopters, preferring to observe how the system performs in practice and whether it gains broader acceptance.

05

Appendix

1. Method

The consultation utilised a focus group methodology comprising:

- 20 focus groups conducted across Australia between 9 and 26 February 2026, with a broad cross-section of the Australian public
- 13 targeted focus groups conducted between 29 April and 2 July 2026, to ensure sufficient coverage of additional audiences.

Across the sessions, a total of 239 Australians were consulted.

1.1. General community focus groups

The main body of research consisted of **20 focus groups** conducted by Verian consultants predominantly in person between 9 and 26 February 2026.

Each focus group was designed to run for **two hours**, with eight members of the public recruited with the anticipation of between six and eight attending. A total of **149 Australians** participated across these sessions.

The research sample was designed to be **broadly representative of the Australian adult population**, by location, gender, age and income level. Proportional representation of people with disability, people speaking a language other than English at home, and people identifying as Aboriginal and/or Torres Strait Islander, was also sought.

Locations for in-person focus groups were selected to ensure coverage of all states and territories, and include a mix of major city, inner regional and outer regional locations⁶. The perspective of those living in remote Australia was included via an online focus group.

The focus groups were primarily stratified by location (required for in-person sessions) and age. Several other **stratification variables** were also included to ensure that 'like people' were grouped together and conversations could proceed at an appropriate level. These additional variables included financial pressure, payment literacy and digital confidence.

The final focus group stratification is presented overleaf in Table 1.

In addition, across the sample:

- 52% identified as a woman, 48% identified as a man
- 21% identified as having a disability
- 15% reported speaking a language other than English at home
- 3% identified as Aboriginal and/or Torres Strait Islander
- 33% reported a low, 48% a medium, and 16% a high, household income⁷.

⁶ This classification is as per the Accessibility/Remoteness Index of Australia used by the Australian Bureau of Statistics to classify how easy or difficult it is for people in different locations to access essential services.

⁷ The remaining 3% of research participants chose not to reveal their household income.

Table 1. Final general community focus group stratification

Group	Location	Age	Financial pressure	Payment literacy	Digital confidence	Sample size
1	Melbourne	18-24	Medium-high	Low-medium	Medium-high	6
2	Melbourne	40-54	Low-medium	High	Low-medium	8
3	Sydney (online)	18-24	Low-medium	Medium-high	Medium-high	7
4	Sydney (online)	40-54	Low-medium	Low-medium	High	8
5	Brisbane	18-24	Low-medium	Medium-high	Medium-high	7
6	Brisbane	55+	Low-medium	High	Low-medium	8
7	Adelaide	25-39	Low-medium	Low-medium	Low-medium	7
8	Adelaide	55+	High	Low-medium	High	8
9	Perth	18-24	Low-medium	Medium-high	Medium-high	8
10	Perth	55+	Low-medium	Low-medium	Low-medium	8
11	Launceston	18-39	Mix	Medium-high	Mix	7
12	Launceston	40+	Low-medium	Low-medium	Low-medium	8
13	Darwin	18-39	Low-medium	Medium-high	Medium-high	5
14	Darwin	40+	Medium-high	Low-medium	Low-medium	8
15	Townsville	55+	Low-medium	Medium-high	Medium-high	8
16	Townsville	25-39	Low-medium	Low-medium	High	7
17	Mildura	18-39	Mix	Medium-high	Mix	8
18	Mildura	40+	Low-medium	Low-medium	Low-medium	8
19	Outer regional / remote (online)	Mix	Mix	Mix	Mix	8
20	Canberra	18-39	Low-medium	Medium-high	Medium-high	7
Total sample size						149

1.2. Targeted focus groups

To complement the 20 focus groups conducted with members of the general Australian community, 13 additional online focus groups were conducted. These targeted focus groups sought to:

- augment the general community sample, targeting groups within the Australian community underrepresented in the main sample, to ensure inclusivity and avoid biased conclusions
- better understand the experiences of groups within the community whose experiences of payments systems were expected to differ materially from that of the broader community, to explore specific needs or challenges.

Each focus group was designed to run for two hours. A total of 90 Australians participated across these sessions. With the exclusion of the sessions with Aboriginal and Torres Strait Islander peoples, sessions were conducted online via Zoom with participants recruited from across Australia, that is, from a mix of states and territories, as well as a mix of cities, regional locations and remote locations. All sessions were mixed gender.

The focus group stratification is presented in Table 2.

To note:

- Groups 4 through 13 were conducted between 29 April and 28 May 2026. Groups 1 through 3 were conducted between 16 June and 2 July 2026.
- New migrants comprised people who had migrated to Australia permanently in the last five years. Migrants from India and China were prioritised as they represent Australia's two largest migrant populations, and migrants from New Zealand, the United Kingdom, the Republic of Ireland, the United States of America and Canada, excluded based on the similarity of their payment systems. All participants were recruited as main or joint decision maker when it comes to banking arrangements in their household. The sample overall included people with a mix of financial pressure and with different household incomes.
- Merchants comprised sole traders as well as business owners/managers of companies trading in Australia with 15 or fewer employees, who personally make decisions about the business' payment solutions. They were recruited to ensure representation across sectors, payment types accepted and volume of customer payments, and to ensure inclusion of First Nations-run businesses.
- People within the disability groups self-identified as having disability. No distinction was made between main and any secondary disability. Many participants identified as having multiple disabilities.

Table 2. Final general community focus group stratification

Group	Location	Inclusion criterion	Sample size
1	Melbourne	Aboriginal and/or Torres Strait Islander person	7
2	Katherine	Aboriginal and/or Torres Strait Islander person	6
3	Thursday Island	Aboriginal and/or Torres Strait Islander person	6
4	Online	Person with disability – upper limb impairment	6
5	Online	Person with disability – psychosocial disability	6
6	Online	Person with disability – vision impairment	6
7	Online	Person with disability – mild cognitive impairment	6
8	Online	New migrant – 35 years and older	8
9	Online	New migrant – Under 35 years	8
10	Online	New migrant – Under 35 years	8
11	Online	Merchant	7
12	Online	Merchant	8
13	Online	Merchant	8
Total sample size			90

1.3. Focus group recruitment

To ensure **cultural safety** for research participants and appropriate interpretation of findings, the First Nations focus groups (targeted focus groups – Groups 11-13) were recruited, facilitated, analysed and reported by Aboriginal and Torres Strait Islander researchers from fieldwork partner Culturally Inclusive Research Centre Australia (CIRCA).

For all other focus groups, research participants were recruited by recruitment partner Q&A Market Research. Participants were primarily recruited from **research panels** of people pre-registered to complete social and market research (initially recruited via online and offline means). This approach was supplemented by targeted outreach and referrals where required.

In line with industry practice, research participants received a financial incentive to participate in the research and reimburse them for expenses incurred. This incentive ranged from \$110 to \$160 depending on the difficulty of the recruit and whether it was in-person or online. Incentives were paid via electronic gift voucher, except for in the case of the Aboriginal and Torres Strait Islander groups for which incentives were paid in cash.

1.4. Focus group facilitation

The **First Nations** focus groups were facilitated by CIRCA consultants, as noted above, who were guided by a discussion guide developed by Verian but which they reviewed for cultural safety and adjusted appropriately.

All other focus groups were facilitated by a team of six Verian consultants, drawn from across Verian's six state and territory offices. This approach ensured travel and accommodation costs were minimised for face-to-face fieldwork, putting downward pressure on project costs, while also reducing key-person risk and bias introduced through reliance on a single facilitator.

A qualitative research approach allowed topics of interest to be explored in depth, flexibly and in a participant-led manner. A group-based approach allowed research participants to react to each other's ideas and viewpoints, thereby eliciting deeper insights.

Broad consistency across sessions was ensured through use of a discussion guide co-designed by Verian and the RBA. The discussion guide used for general community focus groups was optimised after the first night of focus groups, and then again after completion of the first quarter of focus groups, to ensure that it was capturing appropriate feedback in the time available in the sessions. Separate variants of the discussion guide were developed for the subsequent targeted focus groups, with unique lines of questioning for each specific audience.

The discussion guides included a range of activities supplementing more direct lines of questioning and included:

- private recording of individual responses, prior to discussions being opened up to the group, to mitigate against the risk of 'group think', and to ensure accurate capture of feedback
- projective techniques aimed at uncovering feedback, beyond the purely rational, including word association and personification
- exploring recent experiences, to understand actual behaviours and instances where needs or expectations have not been met
- putting information and tangible scenarios to research participants, to elicit detailed responses
- ranking and voting exercises to better understand strength of feeling and priorities.

With informed consent from research participants, all focus groups, except the First Nations sessions:

- were observed remotely or in-person by RBA staff
- were audio and/or videotaped
- had de-identified transcripts produced from an audio and/or video recording made of the sessions, which was shared with the RBA for analysis purposes.

1.5. Data analysis

Two forms of analysis were conducted on the qualitative data:

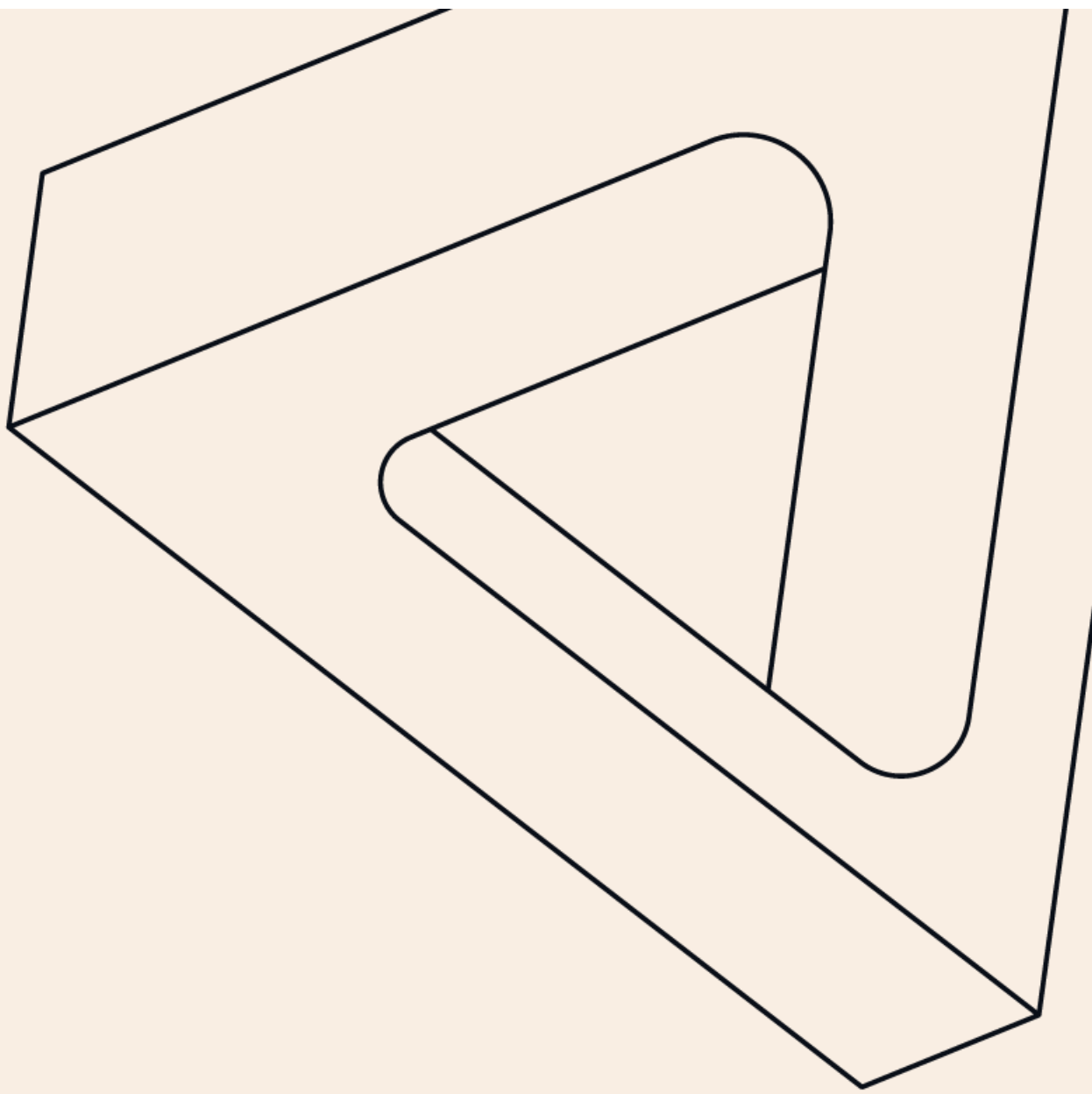
- thematic analysis – identifying and interpreting patterns of meaning across the dataset
- content analysis – identifying, categorising and counting recurring ideas in the data, including against pre-determined categories.

Qualitative analysis was conducted iteratively and drew in observations from the groups as well as detailed assessment of focus group transcripts. Individual analyses were undertaken by Verian consultants, including triangulating findings and pressure-testing interpretations.

Given the sizeable sample size for the general community focus groups (by qualitative research standards), a number of quantitative measures were collected and analysed descriptively. While these findings are presented throughout the report, they should be interpreted with caution and regarded as indicative only. As participants were recruited for qualitative research purposes rather than through a strictly representative survey sample, the results are not statistically representative of the broader population and should not be generalised beyond the study participants.



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