

The future of cash use - Te whakamahinga moni anamata

Please join our Cash Conversations - He Kōrero Moni

The Reserve Bank - Te Pūtea Matua is asking New Zealand to think about what would happen if cash use continues to fall until cash gets difficult to get and use. We think there are a range of potential issues with this, both positive and negative. These include some people being disadvantaged because they can't use other ways to pay or receive money. Cash means New Zealand bank notes or coins.

We have published an issues paper *The future of cash use - Te whakamahinga moni anamata* [LINK TO COME] setting out our summary of the key considerations, and we invite your reaction and suggestions. The best way to give your feedback is to use this survey tool. Reading the issues paper is recommended but not required to complete the survey.

The issues paper outlines our preliminary analysis of the role of cash in society and the trends in cash use and supply. It sets out the key issues to consider — both positive and negative — if less cash were being used and accepted in New Zealand:

1. People who are financially or digitally excluded could be severely negatively affected. These include:
 - a) People who are not banked or have limitations to accessing the banking system, such as people without identification and proof of address, people with convictions, people with disabilities, illegal immigrants and children.
 - b) People who face barriers to digital inclusion, such as people with disabilities, senior citizens, people with low socio-economic status, people who live in rural communities with low internet service, migrants and refugees with English as a second language, Pasifika and Māori.
2. Tourists, people in some Pacific islands and people who use cash for cultural customs might be negatively affected if they cannot use cash substitutes.
3. All members of society would lose the freedom and autonomy that cash provides and the ability to use cash as a back-up form of payment, and might be more exposed to national and personal cyber threats.
4. There would be limited or balanced effects on people's ability to budget, New Zealand's financial stability and government revenue.
5. Cash infrastructure is costly. Moving to a society with less cash could increase efficiency and reduce the overall transaction costs of payments.

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It will take 20-30 minutes to complete if you answer everything, but there are only a few compulsory questions in the survey. There are 13 multi choice or short answer questions, followed by a few questions to help us understand your background. Leaving some sections blank because you are not interested in the related issues will not affect consideration of the answers you do give. The questions are printed at the back of the issues paper if you would like to see them before answering online, or you want to put together a group response to enter online later. The survey also gives you an opportunity to attach additional information or a written submission if you prefer to respond that way. (There is a .docx template on our website which policy analysts and other may wish to use and attach, while also completing the multi-choice and submitter profile parts of the online survey.)

You (or your organisation is responding on behalf of a group) will be given the choice to be identified as a survey participant in any publication of responses, summary or analysis reports, however your responses will not be directly linked to your (or your organisation's) name unless you have used it in another answer. Participants' contact details will not be released. If you participate as an individual then you have the right under the Privacy Act to ask to see and correct the information we then hold about you. Your computer internet connection address (IP) is collected to help prevent and detect misuse. The bank is subject to the Official Information Act.

More information about this work is on our [website](#). You can email FutureofCash@rbnz.govt.nz with any questions not covered by our website.

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Will cash become difficult to get and use in New Zealand?

New Zealanders are paying with cash less often and in smaller amounts than before. Cash costs money to put and keep in circulation as it passes through the economy. The Reserve Bank believes that as cash use continues to fall businesses might start to refuse to deal in cash, or pass on the costs of doing so. This may lead to a downwards spiral of being able to get and use cash. What do you think?

* 1. How strongly do you agree or disagree that cash will become harder to get and use in New Zealand?

- Strongly agree Disagree
- Agree Strongly disagree
- Neither agree nor disagree (or don't know)

Why is that? (optional)

* 2. How soon do you think cash will become difficult to get or use in New Zealand if nothing is done to stop this? (Please choose the closest answer.)

- Within 2-3 years 20 years away or longer
- Within 5 years Never
- Within 10 years Don't know
- Within 20 years

Why is that? (optional)



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Will some groups be disadvantaged if cash becomes harder to get and use for everyday spending?

The Reserve Bank believes that people who are financially excluded (can't have or operate a bank account or card) or digitally excluded (can't access or use online services on a computer, tablet or phone) could be severely negatively impacted if cash becomes difficult to get or use (*Issue 1*). What do you think?

* 3. Overall, **how likely or unlikely** do you believe it is that people who are financially or digitally excluded **would be severely negatively impacted** by the disappearance of cash?

Very likely

Likely

Neither likely nor unlikely

Unlikely

Very unlikely

Why is that? (optional)

4. How **likely or unlikely** do you think it is that each of the following groups of people **would be severely negatively impacted** if cash becomes difficult to get or use?

	Very likely	Likely	Neither more likely or unlikely (or don't know)	Unlikely	Very unlikely
People older than 60 years of age	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People living in rural areas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disabled people	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pacific people living in NZ	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Māori people	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Refugees and new migrants to NZ	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People with low incomes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Children	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People unable to have or operate a bank account for any reason	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People without internet access	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People with English as a second language	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Illegal immigrants	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People without identification or proof of address	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People with convictions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Further comment (optional)



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Groups who might be negatively impacted

The Reserve Bank believes that there are some groups who might be negatively impacted if cash becomes difficult to get or use (*Issue 2*). What do you think?

5. How would the following groups of people be impacted if cash becomes difficult to get or use and they cannot use another way to pay (or receive) money?

	Will be negatively impacted	Might be negatively impacted	Neither negatively or positively impacted (or Don't Know)	Might be positively impacted	Will be positively impacted
People wanting to give money in a cultural or religious tradition or celebration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
International visitors to New Zealand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People in Pacific countries which use New Zealand cash	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People's sense of New Zealand identity gained from what is pictured on banknotes and coins	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Further comment (optional)

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What could be some other effects of cash becoming harder to get and use for everyday needs?

The Reserve Bank believes that a range of other issues need to be considered when thinking about a future with less cash. What are your views? (Issues 3 & 4)

6. For this question please **pretend that cash is already hard to get and use** in New Zealand. **How strongly do you agree or disagree** with the following statements?

	Strongly agree	Agree	Neither agree nor disagree (or don't know)	Disagree	Strongly disagree
People lose privacy if they can't use cash to pay for some things.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People lose the ability to decide their own spending if they can't use cash to pay for some things.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communities will find ways to cope with less cash if electronic payments systems go down.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Having to rely on electronic money means more risk to individuals from identity theft or scams.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Household savings are at a greater risk of being attacked by cyber criminals through the banking system.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Having the ability to withdraw their money from the bank in cash if they want is very important.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Banks do not need to be concerned about a bank-run if consumers cannot access cash.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Further comment (optional)

7. For this question please **pretend that cash is already hard to get and use** How strongly do you agree or disagree with the following statements?

	Strongly agree	Agree	Neither agree nor disagree (or don't know)	Disagree	Strongly disagree
Tax evasion or benefit fraud will be harder with less cash around.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Criminals will easily find other ways to do business without cash.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Having cash tucked away gives a personal back-up for a rainy day or when I can't use another way to pay.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Having cash makes it easier for people to make and stick to a budget.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tax revenue for the government won't change with less cash being used.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The most important bills should be set up to pay with electronic money.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Further comment (optional)

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Who should pay the cost of keeping cash in circulation?

The total cost of keeping cash in circulation and available for use in the economy is one of the things we are still researching (Issue 5). Where do you think the costs should fall, and why?

8. Who do you think should bear the costs of cash? (These costs include production, moving, storing, withdrawal by any method, banking, checking for usability, and destruction of unfit cash.)

	Only them	Shared based on where the costs fall	Shared, but subsidised for individual customers	Not them at all	Don't know for them
Reserve Bank (on behalf of the government)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trading banks, credit unions, and other institutions who deal with cash now	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Retailers, service providers, and others who sell things	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Local councils and ratepayers (eg, for community ATMs)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customers who use cash	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Nobody. We should all be paying with electronic money (and not using cash)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Why is that? Or your own proposal for cost sharing (optional)



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Should anything be done to reduce any disadvantage of less cash?

If we confirm that some groups will be disadvantaged through cash becoming harder to get or use then we need to consider if anything should be done to prevent or manage this. Should anything be done? What should be done? By who?

9. What, if anything, should be done by the people listed below to stop cash becoming hard to get or use?

Government	<input type="text"/>
Reserve Bank	<input type="text"/>
Trading banks	<input type="text"/>
Retailers/businesses	<input type="text"/>
Communities / Community groups	<input type="text"/>
Families / Individuals	<input type="text"/>
Other (say who and what they should do)	<input type="text"/>

10. What, if anything, should be done by the people listed below to manage the disadvantage for some people if cash becomes hard to get or use?

Government	<input type="text"/>
Reserve Bank	<input type="text"/>
Trading banks	<input type="text"/>
Retailers/businesses	<input type="text"/>
Communities / Community groups	<input type="text"/>
Families / Individuals	<input type="text"/>
Other (say who and what they should do)	<input type="text"/>

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Is there anything else you would like to say?

Thanks for your answers so far! This is almost the end of this survey. The next page asks a little about you or your organisation, but first we would like to give you the opportunity to say more about the topic, our issues paper, this survey, or to attach a written submission or further information.

11. Please tell us about any other issues not raised by the issues paper or in this survey that should be considered as we think about the future of cash use in New Zealand (optional).

12. Please tell us about any strong agreement or disagreement to the issues paper which you have not told us about through your previous answers or comments (optional).

13. Please give us any feedback on this survey (optional).

14. Please attach any expansion on your answers, or written submission (see our website for a template), or additional information in .doc .docx or .pdf format (16MB max file size) (optional).

Choose File

No file chosen

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Please tell us about you or your organisation

Thanks for your views! Could you please provide a little information about you or your organisation so that we can analyse and report the results of this survey against general themes and groupings, and know if you want your contribution and identity made public.

* 15. This response is made on behalf of an...

- | | |
|---|--|
| <input type="radio"/> individual or family/whanau | <input type="radio"/> medium sized retailer or business |
| <input type="radio"/> local/regional member-based community or welfare focused organisation | <input type="radio"/> large retailer or business |
| <input type="radio"/> national member-based community or welfare focused organisation | <input type="radio"/> banks, non-bank deposit takers, or their service/equipment providers |
| <input type="radio"/> local/regional member-based business organisation | <input type="radio"/> local government entity |
| <input type="radio"/> national member-based business organisation | <input type="radio"/> state sector agency |
| <input type="radio"/> sole trader / small retailer or business | |
| <input type="radio"/> Other (please specify) | |

* 16. I/we read the issues paper before giving my/our response...

- Yes
- No

* 17. Please enter your details. You can leave the organisation field blank if you are answering for you or your family/whanau. If you enter an organisation name then you are confirming you have the authority to make a response on its behalf.

Name

Organisation

City/Town (nearest)

Email Address

Phone Number

18. Is there anything you would like to tell us about your (or your organisation's) background or anything else to help us understand the background to your responses (optional)?

19. I consent to... (tick the box to give consent)

- My name (or the organisation's name if one is given) and location being published, but not directly linked to my answers.
- Joining The Future of Cash - Te Moni Anamata mailing list (we will email 1-2 updates a month through 2019 and each email will let you unsubscribe at any time).