



25 May 2026

[REDACTED]
Australian Payments Network

[REDACTED]
[REDACTED]
Australia

via email: [REDACTED]

Dear [REDACTED]

Draft vision for the future of account-to-account payments in Australia

The Australian Small Business and Family Enterprise Ombudsman (ASBFEO) welcomes the opportunity to make a submission to the consultation on the draft vision for the future of account-to-account (A2A) payments in Australia (the A2A Vision).

The importance of A2A payments for small businesses

Commercial enterprise in Australia depends on an effective system of payments between accounts. And this system needs to work for small business. Small businesses make up approximately 97% of all Australian businesses, employing around 39% of the private sector workforce and contributing approximately one-third of Australia's GDP.¹

For a small business, an effective A2A payment system needs to be accessible, easy-to-use, reliable and safe. The vast majority (92%) of Australia's small businesses have a turnover of less than \$2 million² and a high proportion are sole traders who are often women (40%), 50 years or older (36%) or people of cultural or linguistic diversity (37%), or a combination of all of these (all figures for 2021-22).³ Small businesses typically have very limited resources – especially time and staff – to dedicate to the basic functions of managing a business from day to day, including book-keeping, human resource management, information technology and keeping abreast of, and meeting, regulatory compliance requirements.

Small businesses are especially dependent on, and vulnerable to lapses in, effective systems of A2A payments. The pressure on routine payments is being compounded in 2026 by new payment requirements arising from the introduction of Payday Super and changes to card surcharging, and the broader impacts of ongoing geopolitical tensions giving rise to fuel shortages, price volatility, and increased uncertainty affecting cash flow and business confidence.

¹ Australian Small Business and Family Enterprise Ombudsman (ASBFEO), *Small Business Data Portal: Number of small businesses in Australia; Contribution to Australian Gross Domestic Product; Contribution to Australian Employment*, ASBFEO, 2025, accessed 18 May 2026.

² ASBFEO, *Number of small businesses in Australia*, ASBFEO, 2025, accessed 18 May 2026.

³ ASBFEO, *Sole Traders - The Unsung Hero of Australia's Economy*, ASBFEO, January 2026, p 5-6.



The ASBFEO welcomes the A2A Vision's end-user objectives, and the system characteristics required to give it effect. Providing a clear direction on the pathway for A2A payments in Australia will give much needed clarity and certainty for small business users.

To ensure the A2A payment system works for small business the ASBFEO advocates for the needs of small business to be reflected in the A2A Vision's objectives of reliability, safety and cost, and in the industry roadmap that will be developed.

Reliability

The dependence of small businesses on reliable A2A payment systems consists specifically of:

- Timely processing — with a high proportion of regulatory obligations requiring small businesses to make payments within specified periods, a failure to comply, despite best efforts, may incur significant penalties that can threaten the viability of a small business
 - This is illustrated, for example, in the requirements to be imposed by the imminent introduction of Payday Super — especially the requirement that contributions paid to employees' super funds are received by the super fund within 7 business days of payday
- Seamlessly and consistently facilitating a range of payment types at scale – enabling, for example, bulk wage and superannuation payments
- Clear and accessible payment data, including verification of payee, transmission of payment instructions and notification of payment outcomes
- Robust contingency and recoverability arrangements to ensure small business owners are not penalised for events outside of their control.

The ASBFEO is conscious of the risks associated with the proposed transition between payment systems, from the Bulk Electronic Clearing System (BECS) to the New Payments Platform (NPP)⁴. While the NPP is a more modern payment system, the ASBFEO understands that the NPP's capacity to handle certain kinds of transactions is still uncertain, and that the risk of disruption in the process of transition is high. The ASBFEO therefore welcomed the decision by the Australian Payments Network to remove its target date for decommissioning, to accommodate the work required to ensure as smooth and reliable a transition as possible.⁵

Safety

Cybercrime poses a serious and ever-increasing threat to all Australian businesses. However, small businesses are disproportionately vulnerable as their lack of resources and awareness of the risks can mean they do not adopt the kind of security measures and technologies needed to prevent or respond to cyber threats.

According to a recent study, 43% of cyberattacks are aimed at small businesses.⁶ Small businesses are also less prepared to defend themselves against cyberattacks, with around half (48%) of

⁴ Reserve Bank of Australia, *Decommissioning of the Bulk Electronic Clearing System: RBA Risk Assessment*, Australian Government, March 2025.

⁵ Australian Payments Network (APN), *AusPayNet revises outlook for the Bulk Electronic Clearing System (BECS) Framework*, APN, media release, 16 December 2025, accessed 18 May 2026.

⁶ Export Finance Australia (EFA), *Australia—Small businesses vulnerable to rising cybercrime*, EFA, 2023, accessed 18 May 2026.



Australian small-medium enterprises spending less than \$500 annually on cybersecurity, according to Australia’s Cyber Security Centre (ACSC).⁷ At the same time, the ACSC found the average cost per cybercrime report rose to \$39,000 for small business.⁸

A2A payments represent a real opportunity for — and are acutely vulnerable to — cybercrime. Confidence in the security of the A2A payment system a small business relies on is therefore essential, not only for meeting their specific business needs and obligations but also for fostering trust in using the system.

Cost

Small businesses tend to operate on thin profit margins, making them especially vulnerable to any increases in administrative and regulatory costs. To support small business uptake, the A2A payment systems outlined in the A2A Vision must be affordable in absolute terms, and cost-effective relative to comparable payment systems. Equally importantly, any user should — particularly if there is a cost differential — be able to exercise choice over their payment service provider and readily change to the provider that best meets their needs.

The ASBFEO acknowledges that continued improvements in the effectiveness and efficiency of payment platforms — for example, enabling 24/7 availability of payment processing — may impose additional costs. The benefits of these improvements need to be carefully balanced with any additional costs they might entail for the user, and be clearly explained to small businesses, who may have very limited capacity to absorb those costs.

If you require any further information, please do not hesitate to contact the Policy and Advocacy team via email at [REDACTED].

Yours sincerely

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Australian Small Business and Family Enterprise Ombudsman

⁷ Australian Cyber Security Centre (ACSC), *Cyber security and Australian small business: Results from the Australian Cyber Security Centre small business survey*, Australian Government, 2020, p 5.

⁸ ACSC, *ASD’s ACSC Annual Cyber Threat Report, July 2021 to June 2022*, Australian Signals Directorate, accessed 15 May 2026.