STATES OF JERSEY

USE OF CASH IN JERSEY (P.48/2026) – COMMENTS

Presented to the States on 9th March 2026
by the Council of Ministers

STATES GREFFE

COMMENTS

The Council of Ministers is not supportive of this proposition which would impose unnecessary burdens on local businesses and increase the costs of trading.

Government is not supportive of legislation that may be inflationary to the consumer or risk business services not being available due to red-tape and barriers to operation. The Common Strategic Policy 2024-26 prioritises removing barriers to business, and any requirement imposed on businesses would be counter to this principle.

Members will recognise that there are practical costs associated with different payment options such as the need to manage a till, pay a member of staff to count cash at close of business each day and purchase a safe to ensure the cash is kept securely. Similarly, accepting card payments typically comes with merchant charges. As with any business, such costs must be met somehow – either by reducing costs elsewhere or by raising prices.

Businesses therefore make decisions on whether or not to accept cash based on a range of factors. These considerations were set out by the Regional Director of LibertyBus during his submission to the EIA Panel's Acceptance of Cash Payments Review in 2024, stating that the costs associated with accepting cash amounted to £65,000 each year and meant that the company took just 72 pence from every £1 spent in cash. This is even more relevant when considering that Jersey's retail, hospitality, and service economy is primarily made up of SMEs, with 87% of wholesale and retail firms employing fewer than 9 people.

Businesses likewise make decisions as to whether or not to accept certain credit cards based on the merchant charges applied. For example, a number of businesses choose not to accept certain card providers due to the higher processing fees.

It is the case that there has been a general consumer trend away from the use of cash in recent years as the convenience and flexibility of card, and particularly contactless, payments have risen. Whilst UK Finance reporting does clearly identify a decline in cash use, there is evidence that this will stabilise at a durable baseline reflective of a segment of the population which continue to use cash for their day-to-day spending.

Although there is a clear trend towards lower use of cash by the public, demand for cash from local banks, as driven by their customers, remains robust, with flows of Jersey notes to and from Treasury exceeding £70m over 2025.

The Government has no plans to cease supplying Jersey notes to banks, which can be done at no net cost to the public, and holds significant stocks of notes to continue to facilitate use of cash in the island for the foreseeable future.

Access to cash in Jersey is good - evidence does not indicate that this is a significant issue that warrants legislative intervention. The Government does, and will continue to, ensure that cash is readily available for those who choose to use it. As demonstrated by LINKs review submitted to the Economic and International Affairs Scrutiny Panel in July 2024, ATM coverage remains satisfactory, and cash withdrawal points are widely distributed across the Island.

Finally, the Government is not in a position to legislate for the free provision of cash services by banks as this would represent a barrier which goes against the principles of allowing businesses to operate and charge for services as they see fit. This could also pose a risk to the wider availability and cost of commercial banking services for the island.

Statement under Standing Order 37A [Presentation of comment relating to a proposition]

These comments were submitted to the States Greffe after the noon 5th March deadline, as set out in Standing Order 37A, due to multiple work commitments by the presenting Department.