A **cashless society** might sound like something out of science fiction, but it's already on its way. Several powerful forces are behind the move to a cash-free world, including some governments and large financial services companies.12

However, no society has gone totally cash-free just yet. In addition to logistical challenges, several social issues need to be addressed before society can give up on cash entirely. The advantage and disadvantages below can give you an idea of the myriad of effects going cashless can have on money and banking as you know it.

**Advantage of having a Digital Payment (cashless)**

* **Lower crime rates** because there's no tangible money to steal
* **Less money laundering** because there's always a digital paper trail
* **Less time and costs** associated with handling, storing, and depositing paper money
* **Easier currency** exchange while traveling internationally
* **Low labour cost** Since online payments are usually automatic, they have lower labour costs than manual payment methods, such as cheque, money order, cash and EFTPOS.
* **Convenience** for online sales Online payment methods allow conveniently selling goods and services online.
* **Automatic** Online payments can be automatic, which can be convenient for you and your customers.
* **Fast transaction speed** Online transactions quickly provide feedback to you and your customers.
* **Low risk of theft** After processing delays, online payments generally go straight into your bank account, so they have a low risk of theft.
* **Digital payments** allow buyers to pay directly from their banks.
* **Digital payments** allow merchants to sell to other countries and customers to pay in foreign countries.
* **Tracks and maintains** the digital record of every transaction.

**Dis-Advantage of having a Digital Payment (cashless)**

* **Service fees Payment** gateways and third-party payment processors charge service fees.
* **Inconvenient for offline sales** Online payment methods are offline sales,
* **Vulnerability to Cyber criminals,** Cyber criminals can disable online payment methods or exploit them to steal people’s money or information. Visit the Australian Cyber crime Reporting Network’s Learn about cyber crime page to learn more about cyber crime.
* **Reliance on telecommunication infrastructure,** Internet and server problems can disable online payment methods.
* **Technical Problems**, Online payment methods can go down due to technical problems.
* **Data Breach** Exposes your personal information to a possible data breach
* **Hacking** If hackers drain your bank account, or you experience technical issues, you'll have no alternative source of money
* **Anti-Poor** Those without bank accounts will struggle to keep up with evolving cashless technology
* **Hard to Adapt Technology for some people** Some may find it harder to control spending when they don't see physical cash leaving their hands