

# The Cashless Society

Industry experts are predicting the UK may be a cashless society within 5 years if a new generation of 'wave and pay' plastic cards takes off. The new cards are aimed at speeding the purchase of low-cost items like newspapers and bread which hitherto have usually been bought with cash.

The claim comes from Visa's head of European Operations Peter Ayliffe, who believes Britons can be convinced that plastic is more convenient than cash. Currently we prefer to pay by cash for any purchases below £10 according to recent surveys. The 'wave and pay' card aims to change all that. Currently being trialled by Visa and Barclaycard, the card works by being passed over a scanner at the checkout. Mastercard are also planning their own version.

The technology behind the card is similar to that used by the Oyster card used by travellers on London's public transport. The move towards a truly cashless society seems inevitable – and there's no denying the convenience such a system offers to users. Already Britons spend more than £300 billion every year on plastic. In December 2006 a record £31 billion of purchases were made by debit and credit card.

Indeed many companies are starting to penalise customers for paying with cheque or cash – BT for example has announced a levy charged to customers who don't pay by direct debit.

There is some resistance to the 'cashless' vision however. A spokesman for the British Retail Consortium is quoted as saying "It is about providing a service for customers, and as long as we are in a situation where customers require cash transactions, we are going to provide that facility for them. While it is possible that we will reach a stage where we have become a cashless society, it will be a long way away."

