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Matthew Sedgwick
Consumer and Corporations Policy Division
The Treasury
Langton Crescent
PARKES ACT 2600

By email:- regmod@treasury.gov.au

Dear Matthew

Consultation Paper – Modernising Business Registers Program Review of Registry Fees

CPA Australia represents the diverse interests of more than 163,000 members working in 125 countries and regions around the world. We make this submission on behalf of our members and in the broader public interest. We have restricted our comments below to the question relating to simplifying or removing search fees.

Q. How could search fees be reformed to make data more accessible, the system simpler and more equitable?

CPA Australia supports the abolishing of fees for searches of public available electronic information held on the modernised business registers. We accept that some search fees may be charged for access to older data that may be stored in legacy, paper-based databases.

In a previous submission in response to the Discussion Paper: Modernising Business Registers, CPA Australia highlighted the misalignment between the search fees currently imposed for accessing certain information from the Australian Securities and Investments Commission (ASIC) database, and the Australian Government's Open Data Policy. We are pleased to note the acknowledgement of this misalignment in the Consultation Paper.

In the same submission, we also highlighted the benefits of free access to the ASIC company registry, which we reproduce below:

- Improving the probability of business success as ready and free access to financial and other information about suppliers, customers and other entities should assist businesses make more informed decisions on who they should interact with
- Reducing the risk of phoenix and other similar activity
- Assisting business meet certain regulatory obligations - for example, undertaking customer due diligence under Anti Money Laundering legislation
- Allowing for a deeper understanding of Australian businesses and the economy through macro-level research and analysis of such data.

We would also like to add that free access to the ASIC company registry will reduce the costs of doing business and improve access to economic infrastructure important to the operations of small and medium businesses. Further, continuing to charge a fee for registry searches is inconsistent with international best practice - searches of similar registries in the US, UK and New Zealand are free.

In considering whether the Government should continue to charge for an activity under its Charging Framework, it is important to consider the unintended outcomes of the charge. We believe that the major unintended outcome of the search fee is that it discourages people and businesses accessing key business data held by the government. The result of not accessing such data could:


- lead to people and businesses engaging in business activity with a party that may cause them detriment and possible economic loss
- limit possible business opportunities
- reduce their ability to interact confidently with other parties.

We also note that the Government has decided that a limited range of users will be exempt from the search fee from 1 July 2019. We do not believe that this announcement is consistent with Charging Framework principles of equity and simplicity as it creates different classes of users, which in turn creates possible definitional issues around who can access data for free and who can't. Hence free access should be extended to all users. Finally, we note that search fees make up 7% of the ASIC registry fees in 2017-2018. It is our view that the

In conclusion, we believe that free access to searches of the ASIC registry would encourage far greater use of key business data held by the government, which will open up new business opportunities, encourage innovation and improve economic efficiency. We note that the search fees make up 7% of the total ASIC registry fees in 2017-18. In our view, the loss of this relatively minor component of the total revenue generated through ASIC registry fees is far outweighed by the economic benefits highlighted above.

If you require further information on our views expressed in this submission, please contact Ram Subramanian, Policy Adviser – Reporting, on +61 3 9606 9755 or at ram.subramanian@cpaaustralia.com.au.

Yours sincerely



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