



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

8 February 2019

Mr Adam Bogiatzis
Consumer and Corporations Policy Division
The Treasury
Langton Crescent
Parkes ACT 2600

By email: ASICFunding@treasury.gov.au

Dear Mr Bogiatzis

ASIC INDUSTRY FUNDING MODEL AND REGISTRY SEARCH FEES

Thank you for the opportunity to comment on the proposed *Treasury Laws Amendment (ASIC Cost Recovery and Fees) Regulations 2019* that is intended to more closely align ASIC fees with costs incurred.

We believe that the setting of fees should recognise the correlation between complexity of service (which is used in the proposed Regulations) and the size of the business interacting with ASIC. Therefore, to improve accuracy in the alignment of fees and costs, the Regulations should take into account size of business as a key indicator of complexity (ie. specify reduced fees for small business).

We strongly support the journalist exemption from paying search fees. However, we believe that there is a very good policy rationale to extend this and abolish search fees altogether on the basis of their importance to the good-functioning of the market (eg. for small businesses to identify potential phoenix activity etc.). We understand that the small loss of revenue from search fees (approximately 7% of all fees) would in any case be offset through the modernisation of business registers on the new digital platform. A move like this would provide a real boost to small business through a better understanding of the parties with whom they are dealing.

We are also aware that ASIC believes that there is currently limited flexibility around the imposition of fees, particularly late fees and penalties. The Regulations should make it clear that ASIC has the flexibility to take into account special circumstances.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Ms Jill Lawrence on 02 6121 5312 or at jill.lawrence@asbfeo.gov.au.

Yours sincerely

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Australian Small Business and Family Enterprise Ombudsman

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