



CHARTERED ACCOUNTANTS™  
AUSTRALIA + NEW ZEALAND

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The Treasury  
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Dear Adam

## ASIC Industry Funding Model and registry search fees

Chartered Accountants Australia and New Zealand (CAANZ) welcomes the opportunity to comment upon the draft Treasury Laws Amendment (ASIC Cost Recovery and Fees) Regulations 2019 (the draft regulations). These draft regulations have five objectives and this submission addresses two of them:

- Exempting journalists from search fees; and
- Reducing the inspection and search fees from \$40 to \$19.<sup>1</sup>

CAANZ is heavily involved in the Modernising Business Registers (MBR) Program through active participation in various consultation groups as well as providing numerous formal submissions. Business registers are an integral part of economic infrastructure.

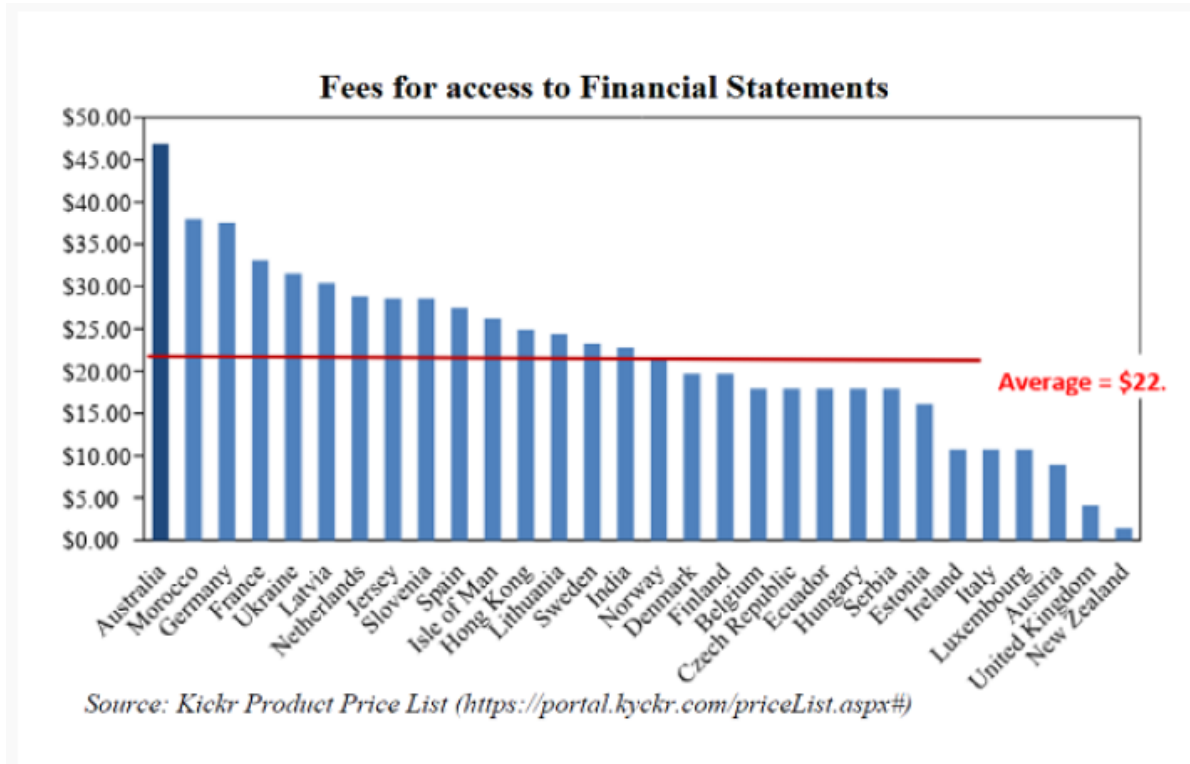
The MBR Program has the potential to reduce compliance costs for both business and government, whilst simultaneously improving transparency to allow businesses to verify the credentials of other businesses and allow governments to enforce various laws. CAANZ considers it essential to ensure access to the data contained in the business registers is both easy and inexpensive, in order for business and government to realise the many benefits of using this data.

A world-wide study of fees to access financial data in business registers found that Australia had some of the highest fees. This is demonstrated in the chart below. These substantially higher costs may deter businesses, especially small businesses, from checking the credentials of those that they deal with. This lack of transparency as a result of high access fees may assist unscrupulous businesses.

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<sup>1</sup> The three that CAANZ is not commenting upon relate to:

- creating a subsector so that ASIC can recover regulatory costs for close and continuous monitoring of certain significant financial institutions;
- updating certain fees so that they reflect Australian Security and Investment Commission (ASIC) costs.
- other minor amendments.



CAANZ welcomes the proposed changes to exempt journalists from ASIC search fees to assist in greater transparency. However, many of our members are registered liquidators, who incur significant ASIC fees in undertaking their duties, which then reduces the amount available to distribute to creditors. CAANZ calls for a similar exemption to be given to registered liquidators.

CAANZ also welcomes the reduction in the cost of search fees from \$40 to \$19. It is hoped that, as the business registers are modernised and more information is retained and distributed electronically, the expected reduction in storage and retrieval costs will reduce this amount further. This would make Australia's fees more comparable to those in the United Kingdom and New Zealand.

If you wish to discuss our comments please contact Susan Franks on 0401 997 342 or via email at [susan.franks@charteredaccountantsanz.com](mailto:susan.franks@charteredaccountantsanz.com)

Yours sincerely

Simon Grant FCA  
Group Executive, Advocacy, Professional Standing and International  
Chartered Accountants Australia and New Zealand

# Appendix A

## Chartered Accountants Australia and New Zealand

CA ANZ is made up of over 120,000 diverse, talented and financially astute professionals who utilise their skills every day to make a difference for businesses the world over. Members of CA ANZ are known for professional integrity, principled judgment and financial discipline, and a forward-looking approach to business.

We focus on the education and lifelong learning of members and engage in advocacy and thought leadership in areas that impact the economy and domestic and international capital markets.

We are represented on the Board of the International Federation of Accountants and are connected globally through the 800,000-strong Global Accounting Alliance, and Chartered Accountants Worldwide, which brings together leading Institutes in Australia, England and Wales, Ireland, New Zealand, Scotland and South Africa to support and promote over 320,000 Chartered Accountants in more than 180 countries.