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

Online submission: ASICFunding@treasury.gov.au

Dear Mr Bogiatzis

ASIC Industry Funding Model and Registry Search Fees (January 2019)

I am pleased to make this submission on Treasury's proposed Treasury Laws Amendment (ASIC Cost Recovery and Fees) Regulations 2019.

I have over 30 years of experience in accounting technical support functions in the public sector (Queensland Audit Office) and large accounting and auditing firms (Ernst & Young and others) where I have provided accounting and financial reporting advice to staff and clients.

Removing search fees for all

I believe that registry search fees should be removed completely, and not just for journalists. Removing search fees would enable compliance with the Government's Open Data policy¹, which is to "make non-sensitive data open by default" and "where possible, make data available for free".

In 2014, Malcolm Turnbull (the then Communications Minister) stated² that he thought it was "really regrettable that ASIC's data is behind a paywall".

The Australian Charities and Not-for-profits Commission (ACNC)³ already provides free access to financial information lodged with it. Even for companies that until a few years ago were lodging the same information with ASIC where fees were charged!

The current approach of charging fees results in an unnecessary cost impost, and effectively a hidden tax, on businesses using publicly lodged financial information. This approach contradicts the Coalition's proposals to reduce taxes on business.

I support Mr. Turnbull's statement in 2014⁴ "Obviously these are tough and troubled times from a budgetary point of view – and there will be all sorts of contractual issues – but really, the productivity benefits from making data freely available are so much greater than whatever revenues you can generate from them."

¹ <https://www.pmc.gov.au/resource-centre/public-data/australian-government-public-data-policy-statement>

² <https://www.governmentnews.com.au/turnbull-blasts-asic-putting-public-data-behind-paywalls/>

³ <http://www.acnc.gov.au/findacharity>

⁴ <https://www.governmentnews.com.au/turnbull-blasts-asic-putting-public-data-behind-paywalls/>

Removing search fees for journalists

The proposed fee amendments will not be effective in implementing the Government's proposal⁵ for exempting the search fees for journalists "for all registry searches". In particular, the proposals do not amend the fees for searching ASIC registers for financial statements.

I believe that the regulations need to include an amendment to Item 16 in Schedule 2 of the Corporations (Fees) Regulations 2001

I also believe that the fee exemption should commence immediately the legislation becomes effective. The benefits from the fee exemption should commence as soon as possible, and not be delayed until 1 July 2019.

Change of auditor fee

I support the inclusion of Item 82A that has the effect of reducing the fee for changing auditors from in excess of \$3,000 to \$40.

The very large fee, introduced from 1 July 2018, is an unnecessary burden on business, particularly small and medium sized businesses and not-for-profit organisations, and a barrier to competition.

Yours sincerely

David Hardidge

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⁵ Turnbull Government improves access to ASIC searches, Joint Media Release, 30 July 2018
<http://kmo.ministers.treasury.gov.au/media-release/091-2018/>