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### **Consultation: ASIC Industry Funding Model and Registry Search Fees**

We welcome the opportunity to respond to the Consultation on the ASIC Industry Funding Model and Registry Search Fees. We are accounting academics at the School of Accounting, RMIT University, who research in the areas of governance, accountability and auditing.

The general concept of cost recovery for public goods is not well established and it is unclear how these costs were set and how they represent cost recovery or what behaviours they aim to encourage or discourage. However, we support the proposal to introduce item 82A in Schedule 1 of the *Corporations (Fees) Regulations 2001*, to reduce the prescribed fee for the consent of ASIC to the resignation of the auditor of the company to \$40 from the current fee of \$ 3,487. The proposed change removes a perceived or actual obstacle to changes in auditors, which may have undesirable consequences for audit quality and the public interest, particularly in the not-for-profit and charitable sectors. Recent research findings from a sectoral survey conducted in 2019 by a team of researchers from RMIT University, University of Western Australia and Queensland University of Technology on '*Organisational resource sharing and structural arrangements in Australian Charities*', indicate that many Australian charities are greatly concerned over increasing operating costs and administrative burden. The study led by Professor Subramaniam from the School of Accounting, RMIT University, reveals more than 70% of the 171 respondents of the study reported rising costs and compliance requirements to be of great concern to their organisation.

We also support the reduction of the fee to access company roles and relationship extracts from \$40 to \$19 and the exemption of journalists from paying certain registry search fees, from 1 July 2019. These measures will potentially incentivise more due diligence, transparency and oversight from investors and other stakeholders.

If you require further information on our views expressed in this submission, please contact Associate Professor Eva Tsahuridu, RMIT University by email at [eva.tsahuridu@rmit.edu.au](mailto:eva.tsahuridu@rmit.edu.au) or on +61 3 9925 5715.


Yours sincerely



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