

30 March 2021

Data Economy Unit
Market Conduct Division
The Treasury
Langton Crescent
PARKES ACT 2600
By email: regmod@treasury.gov.au

Dear Sir or Madam,

Modernising Business Registers (MBR) Program

Chartered Accountants Australia and New Zealand (CA ANZ) welcomes the opportunity to comment on exposure drafts relating to the Corporations Director Identification Number Data Standard 2021 (the 'data standard'), Corporations (Director Identification Number) Disclosure Framework (PGPA Bodies, courts and tribunals) 2021 (the 'disclosure framework') and the accompanying explanatory statements (ES).

Data Standard

How an individual is to apply for a director ID

We note in the accompanying data standard ES (point 8(2) in the 'data standard' and point 55 in the accompanying data standard ES) that there may be exceptions where an individual may not be able to complete the director ID application themselves. These may include "situations where an applicant may require assistance to apply for a director ID if they are unable to prepare the application themselves (for example, due to disability, injury or illiteracy). The Registrar will assess an individual's circumstances on a case-by-case basis".

We understand that there may be very limited circumstances when an individual requires assistance to apply for a director ID. At a minimum, directors must comply with the *Corporations Act 2001* and are responsible for oversight which includes being up to date on the company's position and taking an active role in meetings. It will be important that any application exceptions (as noted above) are carefully considered and operate within these requirements for directors.

We suggest further clarification is incorporated within future guidance materials for the application process to clearly outline that it would only be in very exceptional circumstances that the Registrar would consider permitting an application for a director ID by someone on behalf of the individual.

When information is to be given to the Registrar

We note in the data standard that an individual who has a director ID may request their name, address, and contact details to be updated with the Registrar. In practice, this request could be delegated to a 3rd person/party (such as a company secretary) by the director. We suggest practical guidance is provided in the accompanying ES to outline if changes (to an existing director ID) can be requested by someone other than the director and any appropriate consent required.

Disclosure Standard

We understand, as a part of our ongoing discussions with Treasury, that the purpose of this disclosure standard is to set the foundations to allow for preliminary testing to occur ahead of the expected transitional period as well as to bring into scope the disclosure of director ID information to some PGPA (Public Governance, Performance and Accountability) bodies, courts, and tribunals. However, we note only some PGPA bodies, courts, and tribunals would require the disclosure of certain pieces of sensitive director ID information, such as a date of birth or residential location, to perform or exercise their functions and powers. We suggest that the types of specific information required by individual PGPA bodies, courts and tribunals is further considered.

Additional Comments

Although outside the scope of this consultation, we believe that the following points remain important considerations as the MBR program evolves:

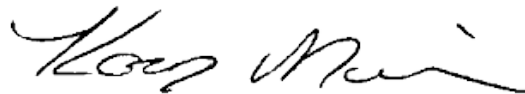
- In collaboration with other Government agencies, across various communication channels, continue awareness raising of MBR, director ID and clarification in areas such as the difference between MyGov and MyGovID (including any potential linkages with Director ID, or reasons why they cannot be linked), practical requirements for foreign directors and the potential impact on directors (such as any additional anticipated costs) will help to provide transparency and direction for directors and stakeholders.
- Providing as much practical information as possible in the lead up to the transitional phase of the director ID program will be an important part of continuing education. In particular, provide clarification in areas such as the difference between MyGov and MyGovID, practical requirements for foreign directors and the potential impact on directors (such as any additional anticipated costs) will help to provide transparency and direction for directors and stakeholders. We recommend establishing clear communication channels between the Registrar and Directors for example a sign-up option for individuals to receive alerts and information relating to MBR and director ID.
- Transparency in relation to what information will ultimately be publicly searchable within the MBR about a director. We believe that the register should have the ability to publicly verify a director via their name and unique director ID and should not contain any further personal information such as their date of birth or address. Clarity around this will be important prior to the commencement of public beta testing.

Should you have any questions about the matters discussed above or wish to discuss them further, please contact Karen McWilliams via email at karen.mcwilliams@charteredaccountantsanz.com or phone (612) 8078 5451.

Yours sincerely



Simon Grant FCA
Group Executive
Advocacy & Professional Standing



Karen McWilliams FCA
Business Reform Leader
Advocacy & Professional Standing

Appendix A

About Chartered Accountants Australia and New Zealand

Chartered Accountants Australia and New Zealand (CA ANZ) represents more than 128,000 financial professionals, supporting them to make a difference to the businesses, organisations and communities in which they work and live. Chartered Accountants are known as Difference Makers. The depth and breadth of their expertise helps them to see the big picture and chart the best course of action.

CA ANZ promotes the Chartered Accountant (CA) designation and high ethical standards, delivers world-class services and life-long education to members and advocates for the public good. We protect the reputation of the designation by ensuring members continue to comply with a code of ethics, backed by a robust discipline process. We also monitor Chartered Accountants who offer services directly to the public.

Our flagship CA Program, the pathway to becoming a Chartered Accountant, combines rigorous education with practical experience. Ongoing professional development helps members shape business decisions and remain relevant in a changing world.

We actively engage with governments, regulators and standard-setters on behalf of members and the profession to advocate in the public interest. Our thought leadership promotes prosperity in Australia and New Zealand.

Our support of the profession extends to affiliations with international accounting organisations.

We are a member of the International Federation of Accountants and are connected globally through Chartered Accountants Worldwide and the Global Accounting Alliance. Chartered Accountants Worldwide brings together members of 13 chartered accounting institutes to create a community of more than 1.8 million Chartered Accountants and students in more than 190 countries. CA ANZ is a founding member of the Global Accounting Alliance which is made up of 10 leading accounting bodies that together promote quality services, share information and collaborate on important international issues.

We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents more than 870,000 current and next generation accounting professionals across 179 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications.