



CHARTERED ACCOUNTANTS™  
AUSTRALIA + NEW ZEALAND

16 April 2021

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

Dear Sir or Madam,

## Modernising Business Registers Transitional Application Periods

Chartered Accountants Australia and New Zealand (CA ANZ) welcomes the opportunity to comment on the draft legislative instruments (Existing Directors, New CATSI Directors, New Corporations Act Directors) relating to the transitional periods as part of the Modernising Business Registers (MBR) Program.

### Transitional Period

*An extension of the transitional period which includes the timeframe between legislative activation and “end of testing” is a positive step.*

We support the extension of the transitional period to enable an appropriate timeframe for testing. Rigorous testing of the new system will provide a stronger basis for a robust, reliable and consistent user experience.

We understand that there is inherent complexity in developing the system. We recommend an ongoing review of the transitional arrangement dates, with key stakeholders, in line with future technical or testing milestones, to ensure these dates remain appropriate. A move of this nature would, in our view, ensure iterative development where requirements and solutions evolve through collaboration.

*Education will be essential in the lead up to transition for each category of Director*

Providing targeted, practical information across as wide a variety of communication channels as possible in the lead up to and during the transitional phase of the director ID program will be important to enable compliance. In particular, clarification in areas such as the difference between MyGov and MyGovID, practical requirements for foreign directors and the potential effect on directors (such as any additional anticipated costs) will provide transparency and direction.

We recommend establishing clear communication channels between the Registrar and directors. For example, providing a sign-up option for individuals to receive alerts and information relating to MBR and director ID as soon as practicable.

The leverage of existing networks and channels, such as those provided by CA ANZ and other stakeholder groups, will also provide an effective opportunity for amplification of key messages and updates during the transitional period. Similarly, broadcasting the timelines to obtain a director ID across other Government agency and state and territory government websites will further increase engagement and raise awareness of MBR and director ID enhance the effectiveness of the transition periods.

### **Additional Comments**

At the time of application, we recommend directors are provided with materials that outline the duties and liabilities of being a director and resources available to support further education. For example, on application a link to the page *Your company and the law* on ASIC's website (or hardcopy if application is done offline) which outlines directors' obligations as part of the email confirmation. It will be important to have consistency and reinforcement of key messaging- from the Registrar and across Government agencies throughout the process.

Further, we note and support the expressed intent of the Registrar to conduct testing of the ID system in the live environment to ensure the new platform delivers a robust, reliable and consistent user experience. We understand that during this testing period the director ID system will not be available publicly and a controlled number of existing directors will be invited by the Registrar to participate in testing of the director ID application system. We would be happy to reach out to our members to participate in this testing phase.

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](mailto: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.