

Opening Statement from ASIC to the Joint Committee of Public Accounts and Audit (JCPAA) – Audit Report No. 48 - Administration of the Australian Business Register (2013-2014)

Good morning/afternoon Chair (Dr Andrew Southcott, MP), Deputy Chair (Mr Pat Conroy, MP) and fellow members of the Joint Committee of Public Accounts and Audit.

Thank you for providing ASIC with the opportunity to address the Committee today. ASIC welcomed the opportunity to contribute to the ANAO performance audit on the administration of the Australian Business Register and acknowledges the contribution the report has made to support and improve whole-of-government interactions with business.

ASIC is well positioned to contribute to the government's deregulation agenda and to collaborate with other agencies to make it easier for business to deal with government.

ASIC's third strategic priority is efficient registration and licensing with a focus on small business. Under this priority, the ASIC Registry provides three key services to the Australian community and economy on behalf of the Commonwealth:

- The legal infrastructure to register companies and business names, the services to maintain these registrations, and that of financial services licensees, credit licensees, company and self-managed super fund auditors and liquidators
- A comprehensive database of business information including persons and organisations associated with companies, businesses, financial services and credit licences in Australia
- Collection of \$721 million in consolidated revenue as taxes in 2013-14

ASIC Registry customers include over 2.1 million companies, 2.0 million business name holders, 22,000 registered agents (accountants, lawyers and service providers), 670 Commonwealth, State and Territory government agencies, 16 commercial information providers and 38 commercial software developers.

During 2013-14, the ASIC Registry facilitated 76.2 million searches of ASIC registers, handled over 900,000 enquiries and processed over 2.4 million updates to the registers, with over 80% of these updates made online.

The national Business Names register delivers a single national registration service with free online searches. Since it commenced, over half a million new names have been registered, taking the total number of registered names in Australia to over 2 million.

This online service has cut red tape and compliance costs for Australian business. It has already saved Australian businesses \$76.6 million in reduced fees to register and renew a business name, and is estimated to save \$329 million including time savings over five years.

In 2013-14 ASIC continued to improve our services that connect business to government, and we have made significant progress in addressing areas for improvement identified in the ANAO report.

We introduced changes to speed up the processing of business name registrations. The vast majority of customers now receive their record of registration of a business name by email in less than two minutes from the time their application and payment is received and approved by ASIC.

We introduced AUSKey, the whole of government credential for businesses to use to interact with government online services, to the business names and self-managed super fund auditor registers. Businesses with an AUSKey, and an ABN recorded on the national Business Names register, immediately access the business names register to register and update their details. This removes the requirement for business to set up an online 'account' with ASIC, a key area for improvement noted in the ANAO audit report.

We added ABNs to over 350,000 records for business names grandfathered to ASIC in 2012 from state and territory registers. We did this by working closely with the ABR. This has increased the total number of ABNs on the Business names register to 1.3 million, or around 65% of total registrations. This measure has improved the integrity of the information on the Business Name and Australian Business registers by using the ABN as the unique identifier across both registers.

We continued to work with the ABR to support the joint Australian Business Number (ABN) and Business Name registration service. This service is hosted by the ATO and administered by the ABR. In 2013-14, 13% of business name registrations were received via this service, double the number of registrations received through this service compared to the previous year.

Earlier this year (February), ASIC implemented system changes to mitigate the impact of unscheduled ATO system outages on the business name registration service. This investment has proved to be very successful in ensuring service continuity for business seeking to use the business names registration service, and addresses another improvement area identified by the ANAO report.

In March, to reduce red tape for business, we added a 'Pay Now' service allowing businesses to quickly and easily renew their business name in a few simple steps. Over 80% of customers have chosen to use this service. This service was designed around the use of the ABN to make it easy for businesses to use their ABN as their whole of government unique identifier to interact with ASIC.

ASIC is also working closely with the ATO, Department of Industry and Treasury to review entry points into government and develop and implement effective and efficient delivery mechanisms for businesses to meet their registration and reporting requirements, and to access information and services from government.

In conclusion, the above examples highlight not only ASIC's commitment to providing efficient registration services to the Australian community but concrete examples of improvements delivered in response to the ANAO report.

Thank you Mr Chair.