



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

6 September 2017

Mr Tom Dickson  
Manager  
Digital Policy  
The Treasury  
Langton Crescent  
PARKES ACT 2600

By email: [regmod@treasury.gov.au](mailto:regmod@treasury.gov.au)

Dear Mr Dickson

**RE: MODERNISING BUSINESS REGISTRY SERVICES**

Thank you for the opportunity to submit comments on the Discussion Paper 'Modernising Business Registry Services'.

The Australian Small Business and Family Enterprise Ombudsman (ASBFEO) advocates for small business and family enterprise on relevant policies, practices and legislation that impact on small business and family enterprise. One of the issues facing small business is the compliance burden of having to meet certain regulatory requirements for registering and updating information on their business structure and governance. The compliance burden relates to cost, time, and complexity. This is particularly relevant if a company evolves from one structure to another over time.

The National Business Simplification Initiative (NSBI) and the Business Registration Service (BRS) announced by the Government in 2016 - which includes streamlining business registry functions and upgrading IT infrastructure – are therefore both welcome initiatives. There are two outcomes that we are seeking from the NSBI and the BRS to modernise the existing 31 registers managed by ASIC and the Australian Business Register (ABR).

Firstly, the number of registers and touch points for a small business to comply with regulatory requirements should be rationalised. With reference to the numerous touch points current required, the optimal outcome would be for one form hosted by a single agency on a single website which could update the multiple registries that exist. This would remove the need to enter details on various registries separately and would eliminate the complexity associated with identifying which register requires updating with what information.

The second outcome is to ensure that in the modernisation process important business descriptors, particularly the size of a business or company, are incorporated into the modernised registry/s. This will improve the utility of the data collected for public policy initiatives and provide a source of truth for all market participants.

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Inclusion of such descriptors would allow market participants, regulators and government agencies to use information in the registry/s to identify businesses by characteristic or assess how policies and practices could apply to specific business cohorts.

This could be achieved either by voluntary consent or as required by legislation at the point of collection. Some descriptors may not be easy to define and we acknowledge that there are numerous definitions of a small business. It may not be practical to rationalise these definitions but alternative approaches could be utilised for identification purposes. An alternative may be, when registering a business or renewing details, to identify that business as *large or not*. The definition of large is widely accepted to be defined by ABS, as a business having employment of 200 or more persons.

Another example would be identifying businesses by ownership, such as indigenous business. This could assist in delivering elements of the Indigenous Business Sector Strategy to support Indigenous businesses, many of whom are also small businesses. A register is currently held and maintained by the Office of the Registrar of Indigenous Corporations which allocates an Indigenous Corporation Number (ICN). Bringing the ICN into the modernised registry/s would provide confidence to market participants that are seeking engagement with indigenous businesses, particularly since the ICN is not related to ABN, CAN or ARBN.

Finally, we would note that the issue of fees associated with the business registry services. We would suggest that any fees charged to register, or make changes to existing data, reflect the complexity of the specific activity. Fees should be scalable and reflect the effort required by the agency to affect the change. As noted in the Discussion Paper a key driver is to bring the multiple registries onto the best, future proof, technology available today. This must encompass a simple interface for the users including how fees are advised and how they can be paid.

We hope these comments assist your deliberations. Please feel free to contact either myself or Mr James Strachan, by telephone 02 62631537 or email [james.strachan@asbfeo.gov.au](mailto:james.strachan@asbfeo.gov.au).

Yours sincerely,



**Kate Carnell AO**  
Australian Small Business and Family Enterprise Ombudsman