

Senate Select Committee on Financial Technology and Regulatory Technology

Australian Securities and Investments Commission Answers to Questions on Notice

Written Question

Topic

Access to public registry data for KYC checks and Digital ID services

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Access to public registry data for KYC checks and Digital ID services

In its evidence to the committee, FinTech Australia has argued that private companies should be able to have direct access to data from public registers, for example the Australian Electoral Commission roll and ASIC registries, to be able to drive digital identity and verification services.¹

- What is the rationale for the current system of access to ASIC registry data?
- What is ASIC's view on this proposal?
- Will the Modernising Business Registers reform address this issue? If so, how?

Answer

In relation to the written questions, ASIC understands the context for Fintech Australia's comment for access to public registry data for KYC checks and digital ID services is as follows:

- It was in response to the Chair's question on FinTech Australia's recommendation for government in respect of digital ID in relation to its constituents.
- Page 101 of the FinTech Submission argues for better access to information provided by ASIC for the purposes of conducting KYC checks. In particular, via decreased costs to access information held in government registers, and increased competition by allowing multiple service providers to provide this type of information.

What is the rationale for the current system of access to ASIC registry data?

Currently, a user can choose to search ASIC registers either directly through ASIC or through an ASIC approved Information Broker. Some information on ASIC's registers can be accessed for free. However, ASIC is required by law to charge fees for certain information, for example: to obtain a current company extract or to obtain copies of documents on ASIC's registers. For information, please see search fee information on the ASIC website at: <https://asic.gov.au/online-services/search-asics-registers/search-fees/>

ASIC-approved Information Brokers have direct access to ASIC registers. They offer a variety of commercial services that may suit a person's needs, and the fee they charge may vary according to the services and incorporate the statutory fee payable to ASIC. ASIC does not endorse any specific information broker. Please see information regarding ASIC approved information brokers at: https://connectonline.asic.gov.au/RegistrySearch/faces/landing/InformationBrokers.jspx?_adf.ctrl-state=wwpju6nqj_4

¹FinTech Australia, *Submission 19.3*, pp. 69-70. Available at: Submissions – Parliament of Australia (aph.gov.au). See also: *Proof Committee Hansard*, 11 February 2021, pp. 47-49, available at Public Hearings – Parliament of Australia (aph.gov.au).

What is ASIC's view on this proposal (ASIC understands this proposal to mean the proposal to provide direct access to data at a lower costs)?

ASIC is required by law to charge fees for certain information. The question of providing access to registry data at a lower cost to address the underlying issues raised by the Committee would be a policy decision solely for the government. ASIC is unable to discriminate in its administration of fee recovery between users or applicants.

As indicated in the previous question, ASIC's search system allows direct access to ASIC registry data.

Will the Modernising Business Registers reform address this issue? If so, how?

The legislative framework for the Modernising Business Registers reforms allows the Registrar to make a disclosure framework governing the disclosure of information. However, the reform has not yet dealt with lowering costs to access registry information, and that would be a policy decision solely for the government, which would also require legislative amendments.

As additional background, In July 2018, the Government released a discussion paper on modernising business registers, which included consideration of whether to apply the Government's Charging Framework for the use of IT infrastructure to sustainably fund the registry infrastructure into the future - see the [MBR program](#). Following the feedback received as part of that consultation process, in November 2018 Government invited stakeholder views on the role of registry fees more broadly in a modernised registry system. This consultation will inform the Government's consideration of whether changes should be made to registry fees in a modernised registry system to ensure they are simpler, easier to understand and more equitable.