

Select Committee on Financial Technology and Regulatory Technology Submission from Finder

Thank you for the opportunity to provide input to the Senate Select Committee on Financial Technology and Regulatory Technology.

[Finder.com.au](https://finder.com.au) ("Finder"), as Australia's most visited comparison website, helps Australians make better decisions about a range of complex products and services. More than 2.6 million Australians access our services, decision engines and educational material each month¹. As a business focused on reducing complexity and improving financial literacy, Finder compares over 1,800 brands across more than 100 product categories, including credit cards, home loans, transaction accounts, savings accounts, insurance products, superannuation, telecommunications, energy and shopping deals. From our "startup" roots to our current success, Finder has remained an innovative and proudly independent Australian business. Our shareholders – Fred Schebesta, Frank Restuccia and Jeremy Cabral – have never lost sight of the transformative capacity of technology.

As a technology and publishing business in Australia with a strong focus on financial services, we are delighted to see the creation of this Select Committee and the related Issues Paper, and we applaud the government's willingness to drive innovation and economic growth in this space. In this submission, we will expand on our initial recommendations for relevant key issues for the Select Committee and respond to other questions raised in the Issues Paper. We will focus on the questions where we can offer relevant input.

¹ 2.6 million average unique monthly audience (Jun-Sep 2019), Nielsen Digital Panel

Overview of submission:

Finder is a technology-enabled service so we understand that technology can help to reduce complexity and improve consumers' lives. Finder disrupts traditional, and inefficient, product distribution models by providing consumers with the information and tools they need to make better financial decisions on everything from personal loans to credit cards to insurance. In an industry focused on disclosure, we focus on relevancy and transparency and have built our business on providing the curated information, analysis and expert content that allows consumers to identify and access relevant products at the price point that meets their needs.

As ASIC recently identified in their [Report 632](#), formal disclosure is not an effective solution to complexity and informed participation. In an environment where many product issuers are invested in maintaining the status quo, consumers have few trusted and reliable sources to guide their decision-making. We believe that technology can improve transparency, reduce complexity and increase the choices available to informed and engaged consumers. Our view is that the proper role of government is to encourage innovations that promote choice, increase productivity and deliver benefits and choices to consumers without abrogating their consumer rights.

Our view is that the benefits of increasing consumer choices and improving financial literacy extends beyond increased market participation and improved engagement; it drives economic growth and lays the foundation for a stable, resilient and successful economy. Findings from our Consumer Sentiment Tracker show there is still plenty of work to do in this space. Nearly 3 out of 4 Australians (74%) are stressed about their financial situation and 42% of Australians have less than \$500 in savings.

Despite our broad expertise, our submission focuses predominantly on the implementation of the Consumer Data Right (CDR) regime. While this is only one relevant consideration, it's an immediate issue that we believe is a key regulatory reform for enabling the development of a fintech sector that better serves the interests of Australian consumers. As a summary of our points made in relation to the CDR, we support the following:

- More companies being included in the ongoing CDR assurance and accreditation process
- Regulatory support for the CDR alternatives in the interim
- The accelerated introduction of "write-access" into the CDR
- Leading with product-data to implement the CDR across multiple sectors simultaneously
- The expedited introduction of the CDR to other sectors including superannuation, investment and insurance

Later in the submission, we outline a number of ways that Australia could take a prominent role in developing international blockchain standards. These include the government doing the following:

- Proactively bringing businesses together around the development of live blockchains
- Developing blockchain applications with common standards
- Explicitly playing a support role in “hybrid blockchain” developments
- Providing a clearer legal framework for blockchain and cryptocurrency in Australia

We also share our views on the current visa settings for technology businesses like Finder. The limited availability of appropriately trained local resources is a material impediment to the growth of the Australian technology sector. Even allowing for possible reforms of the tertiary and vocational training sectors, it is unlikely that Australia can produce sufficient numbers of trained and competent workers to sustain the growth of the regtech and fintech sectors. In the interim, we’d suggest that the government create a route to permanent residency for people on short-term temporary skill shortage visas and provide more clarity on the application and transition process.

For context, our submission will consider the UK’s implementation of open banking. In particular, we are interested in the failure of open banking to support those struggling financially. We’ll also propose that innovation challenges (with associated prize money) could spur innovative responses to this and other issues.

Regulatory settings in Australia: General settings

- Do current regulatory settings support the growth of local FinTech and RegTech companies in Australia?
- What are the key reform priorities that will enable FinTech and RegTech innovations to flourish in Australia?

We believe that the resilience of the Australian economy in the face of adverse conditions is as much a result of our strong regulatory framework as our economic policies. Nevertheless, we are concerned that the multiplicity of regulatory bodies, and their product and sector focus, inhibits the development of fintech and regtech companies that seek to operate across products and sectors or to imagine alternatives to traditional distribution models. Regulation is reactive and while the “twin peaks” regulatory model remains appropriate for licensed and prudentially regulated bodies, they can stifle innovation in new entrants that defy traditional classification. Regtech, cryptocurrency and comparison services need to navigate between regulatory requirements and licensing conditions that bear little relevance to their businesses. In addition, uncertainty and anticipation of regulatory sanction create apprehension that slows the commercial innovation the government aspires to drive.

We also note that Regulators in Australia could do more to discourage incumbents from using their size, market position or capitalisation to restrain innovation and impede change. Specifically, we believe that a swift and effective implementation of the Consumer Data Right across multiple verticals is a critical regulatory reform, but one that faces resistance from companies threatened by transparency and consumer mobility. In our view, the role of the government should be to remove any impediment to the free flow of consumer information. Subject to a client’s informed consent, and reasonable security measures, banks and other participants should be required to demonstrate value, clearly present costs and actively compete for consumers. Beyond the CDR, we submit that more attention should be directed to the management, regulation and use of blockchain developments.

Regulatory settings in Australia: CDR impediments

- Are there any impediments to ensuring that the benefits Open Banking offers for consumers and FinTech firms are maximised?

Delays to the CDR

Finder remains very supportive of the introduction of the Consumer Data Right (CDR) in Australia and the government's reforms of inefficient practices. We, like the government, believe that the CDR will empower Australians to take control of their personal data and equip them with the information they need to make better financial decisions. This will necessarily increase consumer confidence, market participation and economic growth.

As our business sits across many of the impacted verticals, we look forward to helping Australians connect the dots between their newly available datasets. In recognition of this, we have been proactively supporting the development of the CDR by working closely with the Treasury, ACCC and Data61 on different parts of the legislation, including a bespoke report to test the product reference data released in July 2019 against the data in our product database.

However, we are concerned about the delay of the rollout of the CDR in the banking sector. The first delay was announced in January 2019, when the Treasury released a revised open banking timeline that pushed the initial 1 July 2019 launch date back to a date no later than 1 February 2020. This was pushed back further in December 2019 with an announcement that the go-live date would be no later than 1 July 2020.

We understand these delays are necessary to ensure that a suitable level of testing is completed, but multiple hold-ups across the various implementations of the CDR in different sectors is unlikely to create consumer confidence in the system. In addition, while delays make forward planning difficult for a business like Finder, they make it impossible for businesses without our resources. As a consequence, it's stifling innovation and the emergence of new providers. We hope that future CDR timelines for other sectors allow a suitable period for testing from the outset.

It is also worth noting that we did not put Finder forward to take part in the ACCC-led CDR testing and assurance process due to concerns about the tight timelines. For context, the process for expressing interest in participating in the CDR testing phase opened on the 21 August 2019 with a deadline 16 days later on 6 September 2019. The 59-page assurance strategy document outlining what would be required of a participant in the testing phase was not released until 29 August 2019, giving us 9 days for review and to make a decision. The document outlined a testing phase that would be largely completed by the end of December 2019 and, as such, we made the difficult decision to not take part in the testing as we would not be able to reallocate the necessary level of engineering resource within the timeframes presented.

If Finder had known the testing phase would be extended by four to five months, then this would have impacted this decision. As it stands, Finder would welcome the ACCC opening up the testing and/or accreditation process to more participants than the 10 announced in September 2019 to ensure there are more accredited data recipients in place for the new launch date in July 2020.

Support for CDR alternatives in the period before implementation

Given the delays to the CDR timeline discussed above, many businesses in Australia looking to become accredited data recipients are now using other technologies to access customer banking data to test their offerings and their business models. Generally, this means using third-party suppliers that securely import data from a customer's bank through the provision of log-in credentials. This is generally accepted as the most secure way to access banking data in lieu of the CDR and many of these third-party providers maintain bank-level information security.

However, some of the major banks in Australia have been sending warning messages to their customers about using these services. While we are fully supportive of banks warning their customers about security risks, we don't believe that these services create the level of risk that warrants the action seen from banks, including Commonwealth Bank and Bankwest. More specifically, we think that repeated emails and in-app notifications warning customers to change their log-in credentials are helping to shape public opinion in a way that discourages data sharing and undermines the CDR regime. In our opinion, the government should facilitate (and normalise) the use of third-party services and encourage participants, through regulatory catalysts, to support these processes. We appreciate the security issues and the need for appropriate indemnities but, particularly in the interim before CDR, incumbents should be discouraged from increasing consumer apprehension in this space.

It is our view that the fintech businesses using these services are building for an open data world that inspired the implementation of the CDR. They are also building confidence in the idea that sharing your data can lead to better outcomes for the customer. Given the delays to the CDR in banking, we would welcome more government support for these services which allow fintechs in Australia to test and improve their open banking offerings before the launch of the CDR in July 2020. We would also welcome a government-backed education program that builds greater awareness around the risks associated with sharing banking data.

Introduce “write-access” into the Consumer Data Right legislation

We would also like to see the government introduce “write-access” for banking data in Australia as soon as possible. To date, the CDR legislation in Australia legislates only for “read-access” for banking data. This position stands in contrast to most other implementations of open banking in jurisdictions like the UK, Japan and the European Union. Broadly, we define our view of the two ways to access data below:

- **Read access.** Allows accredited data recipients to obtain a copy of a customer’s financial data and to use it for activities like insight generation or account aggregation
- **Write access.** Allows accredited data recipients to make changes to a customer’s financial data held by other institutions and to use this access for activities such as account switching or even payment initiation

In summary, *read-only CDR* gives customers powerful insights about the way they spend money, but it’s actually *write-access CDR* that gives consumers the power to act on these insights quickly. Without write-access, a customer still has to go through the same slow process to change providers or make/cancel a payment. Write-access CDR could act as an antidote to the inertia we see today in the retail banking market.

We recognise that introducing write-access will require higher minimum standards when it comes to information security. We also acknowledge that setting and implementing these security standards will take some time. It is for these reasons that the implementation of write-access in the CDR framework should start today to create the time to do this well. If we do not act today, and write-access CDR takes three to five years to implement as it has been rumoured, Australia will be left behind in the global competition for fintech innovation. We also believe that setting higher standards for information security in the CDR framework will provide an exciting business opportunity for ambitious Australian regtech businesses.

Regulatory settings in Australia: CDR in related sectors

- Following the implementation of the CDR in the banking sector, how quickly should the government seek to implement CDR reforms in related financial sectors such as superannuation?

Product data to enable simultaneous CDR implementations

Finder welcomes the implementation of the CDR in all of the sectors discussed to date including banking, energy, telecommunications, superannuation and insurance. We would like to see this happen as quickly as possible, but we recognise that each of these sectors will likely present unique implementation challenges. This problem is particularly pronounced when the same teams at government agencies look likely to be working on each implementation.

However, we think that there could be a way to simultaneously start the CDR process in each sector that will boost competition without creating too much work for the government bodies involved. This could be achieved by focusing on initially making “product reference data” publically available in a machine-readable format for each impacted sector. Product reference data refers to the attributes of a product or service that make it different to its competitors (e.g. for a credit card, this would include interest rates, fees, bonuses, etc). This type of information is less sensitive than individualised customer data so legislation can be passed more quickly. Consistent API access to this product reference data from all providers in a given sector would allow for better like-for-like comparisons and would ultimately lead to better outcomes for consumers.

This was effectively the approach taken in banking, with product reference data from the major banks being the first thing made available in July 2019. Now that the go-live date for the remaining datasets has been pushed back until July 2020, we are looking at a staged rollout in banking with a 12-month gap from product reference data to customer data. We think this is a model that could be replicated in other sectors.

As with the CDR for banking, we would be happy to assist the Data Standards Body with creating a format for these product reference datasets that maximises their utility.

CDR for car insurance

One sector Finder would particularly like to see the Consumer Data Right introduced to is the market for car insurance. We offer a popular [car insurance comparison service](#), but we know more can still be done to improve choices and outcomes for Australians. A useful reference point here is the [Financial Conduct Authority \(FCA\) General Insurance market study](#) from the UK released in October 2019. The [International Comparisons annex](#) makes the following points:

- Market concentration for motor insurance is much higher in Australia than it is in the UK. In the UK, the five biggest insurers make up 57% of the market compared to Australia where the four biggest insurers make up over 70% of the market.
- The Australian Government Productivity Commission ([Section 14.3](#)) has expressed concerns about high market concentration in the motor insurance market.
- The ACCC also highlighted to the FCA that many large insurers in Australia are reluctant to engage with price-comparison websites due to their ability to drive down prices. In contrast, the UK market has a relatively high proportion of policies sold through price-comparison websites.

When it comes to the cost of car insurance for consumers, the average comprehensive car insurance premium in the UK has dropped by 18% from Q1 2017 to Q3 2019 according to figures from the MoneySuperMarket [Car Insurance UK Price Index](#). In contrast, there has been a steady increase in the average comprehensive car insurance premium in Australia in the same period according to indexed figures from the [Insurance Council of Australia](#).

Finder believes that introducing the CDR in the car insurance market will improve outcomes for consumers. We advocate for a similar approach to what we have suggested in the prior section – a quick win for improved competition from making product reference data publically available in a machine-readable format in relation to motor insurance products.

This would allow comparison services like Finder to show customers accurate and up-to-date information on price, coverage and features for motor insurance products in Australia. As with the CDR for other sectors, we would be happy to assist the Data Standards Body with creating a format for this product reference data that maximises the utility of the dataset.

Regulatory settings in Australia: CDR in superannuation

- What specific considerations need to be given to the implementation of the CDR in the superannuation sector?

Finder has helped Australians make decisions about their superannuation for years. We have a section of our site that allows consumers to [compare superannuation funds](#), and we have undertaken a significant amount of consumer research on the topic. We have consistently found that engagement in this category is relatively low compared to the other categories covered by Finder. In particular, we have found the following:

- 36% of Australians with money in a superannuation fund either do not believe they are getting a good deal or are not sure if they are or not. However, just 6% of Australians with money in a superannuation fund plan on switching to a different fund in the next 6 months (October 2019 survey with 1,474 respondents)
- Just 18% of Australians make extra contributions to their superannuation above the mandated employer contribution (February 2019 survey with 2,027 respondents)
- More than 82% of Australians opted for their employer's preferred superannuation fund or stayed with their existing fund when they started their current role (July 2018 survey with 2,011 respondents)

As a result, we agree with Recommendation 13 from the [Productivity Commission inquiry into superannuation](#) that the Consumer Data Right should be rolled out to superannuation. As noted by the ACCC, the CDR is intended to “improve consumers’ ability to compare and switch between products and services. It will also encourage competition between service providers, leading not only to better prices for customers but also more innovative products and services”. We believe that increased competition and innovation in the superannuation industry will be hugely beneficial to Australian consumers.

Lead with product reference data for superannuation funds

We recognise that working through the full CDR designation instrument for the superannuation industry will take time. As noted above, we believe a quicker way to boost competition in this and other sectors could be to make product reference data publically available in a machine-readable format in relation to superannuation funds. We would like to see a consistent API from all providers that provides access to accurate and up-to-date information on fund performance, fee structure and feature information for all super funds in Australia.

This would make it easier than ever for consumers to choose a fund that is most suitable for them. Product reference data was the first thing made available under the CDR for banking and we would advocate for a similar approach in superannuation. As with the CDR for other sectors, we would be happy to assist the Data Standards Body with creating a format for this product reference data that maximises the utility of the dataset.

Reduce inconsistency with how super funds present their fees

Currently, the way each super fund presents its fees is inconsistent and complicated. Some funds present the admin fee as an annual cost in dollar terms, some present the fee as a weekly cost and some present the admin fee as an annual percentage of the account balance. In addition, some funds will charge a percentage-based annual investment fee, while others might not charge an investment fee but might charge a higher indirect cost ratio (ICR) fee. On top of this, funds change their fees regularly.

As a result, it's currently difficult for consumers to compare the true cost of one fund against another. By including superannuation in the CDR, platforms will be able to access a consistent API from funds with accurate and up-to-date information on the fees they charge. Companies like Finder can then use this fee information to build engines and tools that convert the different dollar figure and percentage-based fees into one annual cost, so consumers can more easily compare.

Improve understanding of insurance cover provided by super funds

It can be difficult for consumers to understand how much they're paying for their automatic insurance cover within their super and the value of that cover. This information is often buried in the fund's PDS and, like the fees, is presented in a variety of ways from fund to fund.

Being able to access the costs of insurance and the amount of cover via an API from each fund will enable us to include this detail in our superannuation comparison engines to help consumers understand the value of the included insurance. Another benefit is helping consumers compare this with other insurance options outside of superannuation.

Longer term, we would like to see the CDR for superannuation make it easier than ever for Australians to move and consolidate their superannuation to the fund or funds that are most suitable for them. Making this as simple as possible will likely require "write-access CDR" being made available as discussed earlier in this submission.

Regulatory settings in Australia: Blockchain standards

- [How should Australia take a prominent role in supporting and developing international blockchain standards?](#)

Finder is an active participant in both the blockchain and cryptocurrency sectors in Australia and around the world. The [Crypto Finder](#) section of our site provides consumers guides, news and comparisons in relation to cryptocurrency and has received over 400,000 visits in the last 12 months. We also have a [Crypto Finder YouTube channel](#) that has a highly engaged audience of over 5,000 subscribers. From a transactional perspective, Finder parent company Hive Empire runs an over-the-counter cryptocurrency brokerage called HiveEx, which provides trading services to high-net-worth individuals, family offices, businesses, funds and trusts.

All of this exposure informs our view that blockchain is a powerful but complex technology being held back by a few barriers that inhibit adoption. The [Deloitte 2019 Global Blockchain Survey](#) does a good job of outlining what these barriers are. Of particular note, the survey found four barriers to blockchain adoption that have not diminished between the 2018 survey and the 2019 survey:

- Lack of in-house capabilities (skills and understanding)
- Concerns over sensitivity of competitive information
- A perception of blockchain as an unproven technology
- A lack of compelling application of the technology

We think that the Australian government can help alleviate these barriers in a number of ways.

First, the government can play a role in proactively bringing businesses together around the development of live blockchains and blockchain applications with common standards. Blockchain is a team sport that requires cooperative participation from a range of different businesses, but letting the required business consortia form naturally is a slow process. The government can help facilitate this by getting the right businesses working together on the right issues to accelerate the process and to help prevent digital islands being created by multiple blockchain standards. By accelerating live blockchain usage, Australia can reduce the opportunity costs of being late to the party and create opportunities to export Australian blockchain standards internationally. For example, blockchain infrastructure similar to the industry-agnostic [Australian National Blockchain](#) could be trialled with applications such as intellectual-property tracking and royalties payments.

Second, we think the government can create a clearer legal framework (and related guidance) when it comes to blockchain and cryptocurrency in Australia. Currently, businesses working in this space in Australia are likely to be spending a significant proportion of their capital on forming legal opinions on their activity. Clearer frameworks will better protect consumers while also allowing companies to innovate with confidence. Without these frameworks, blockchain and

cryptocurrency businesses will likely choose to domicile in a jurisdiction with more clarity on these issues, such as Switzerland or Malta.

Third, we think the government can play a support role in “hybrid blockchain” developments. Fully public blockchains (such as Ethereum) are still very immature and come with issues such as how to deal with private-key management. There's no guaranteed timeline around these problems being solved. At the same time, permissioned blockchains do not allow for as complete automation or “trustlessness” as fully public blockchains do. One alternative is the creation of “hybrid blockchains” in the form of permissioned blockchains that can also interface with public blockchains to allow applications that cannot be achieved with either permissioned or public blockchain alone. Government involvement in these “blockchains” would help to unify their development around set standards and increase the number of potential applications as government involvement improves trust.

Some interesting areas to explore these approaches could include industries where Australian businesses are losing disproportionate revenue to overseas companies through administration costs. One such example could be the music industry where Australian artists are losing revenue to overseas companies through convoluted licensing and royalty schemes. The other obvious testing ground is supply-chain track and trace through blockchain for Australian exports. Getting this right could lead to the export of Australian blockchain standards.

Regulatory settings in Australia: Visas and overseas talent

- Are the existing visa settings for entrepreneurs and workers in the tech industry succeeding in attracting overseas talent into Australian FinTech and RegTech companies? Are changes needed to make this process more straightforward?

Finder is growing fast and this makes attracting the right talent one of our biggest challenges. To fill open roles, we look to Australian and international labour markets to find the best possible candidate for the role. In the last 12 months, we've hired more than 70 people in Australia and we're currently looking to fill over 30 open roles.

To date, Finder has taken advantage of the Temporary Skill Shortage visa, and we currently have multiple members of our Australian workforce on 482 and 186 visas. We value the availability of these visas as they allow us to fill skilled roles with highly qualified individuals. Finder has yet to use the Global Talent Employer Sponsored (GTES) scheme, but we will consider using it for suitable roles in 2020.

However, we have found challenges with the current visa settings that have impacted our business. First, with 482 visas in particular, there is no pathway to permanent residency on the Short-term Skilled Occupation List (STSOL). Many of our crew fall under the STSOL and those individuals are not given the security that comes with a route to permanent residency and are forced to consider their options after their initial two years are up. The people at Finder on 482 visas are crucial to the business, and we'd love to see the introduction of visa options that offered them more permanency.

Second, the process for applying for these visas can create issues. It's an extensive process that can be confusing if you don't have lawyers on hand. In particular, we have experienced issues with "labour market testing" as the requirements are unclear for each visa type. We would like to see more clarity on all the requirements for the application. In an ideal world, visa applications could be completed by our people and culture team without input from our legal team. Finally, the timeframe for these visas could be addressed. To process a 482 visa can take up to three months and there is the chance that the candidate could decide not to go through with it because of the timing.

Global comparisons: Learning from other countries

- What learnings and opportunities can Australia glean from international FinTech and RegTech industries?
- What innovations from other countries could have a positive impact on the Australian FinTech industry?
- Are there any pitfalls Australia can avoid in growing its FinTech industry by learning from international experience?

Finder is an Australian business that has grown internationally. We now have websites in over 70 countries and offices in Sydney, London, New York, Wrocław, Toronto and Manila. This international growth has given us insight into fintech innovations from around the world. Given our focus on the Consumer Data Right as a business, we will focus on the UK experience of open banking for this section of the submission.

The UK's open banking regulation mandated that the nine largest banks in the UK (Barclays, Lloyds Banking Group, Santander, Danske, HSBC, RBS, Bank of Ireland, Nationwide and AIBG) should allow customers to access their banking data by 13 January 2018. However, six of the nine banks missed this deadline. Indeed, it was more than 12 months until all the original mandated banks met the open banking legislation. This is of particular interest in Australia where the timelines have been pushed back twice. Under the UK model, the Competition and Markets Authority (CMA) was unable to fine the banks that failed to meet the deadlines, and it is unclear what authority the ACCC will have should a similar situation occur in Australia.

There are also some interesting takeaways from the [Consumer Priorities for Open Banking report](#) released by the UK's Open Banking Implementation Entity on 25 June 2019. First, it notes that even 18 months after launch, availability of open banking enabled products is limited to a small number of use cases, including personal finance management and credit applications. Valuable open banking use cases like identifying better deals on household bills, credit balance transfer management and third-party overdrafts still have limited availability. It is likely we will see a similar pattern in Australia, and it could be worth the ACCC exploring how it could fast-track the accreditation process for data recipients offering unique and/or valuable services to consumers through the CDR datasets.

The consumer priorities report also notes that open banking offers the least value to customers "on the margins" of mainstream finance (e.g. £72 of savings per year for this group compared to £230 of savings per year for the average consumer). This is a worrying finding and one worth considering as the CDR is implemented in Australia. The report also points to some interesting solutions that are being introduced in the UK to try and tackle this issue. The Open Banking Implementation Entity has been working with NESTA (the UK innovation agency) to run a series of "[Open Up Challenges](#)". These challenges offer cash prizes (of up to £1.5 million) to businesses and organisations using open banking to solve some of the biggest financial issues facing UK consumers. The [Open Banking for Good](#) program (sponsored by Nationwide) had a

similar focus with the explicit goal of solving problems faced by “financially squeezed” consumers. This innovation challenge model is an interesting way to create incentives that encourage businesses and not-for-profits to engage in new regulation and technology in the way the policymakers had envisaged. As such, it could be a model worth exploring in Australia if the CDR does not achieve the desired outcomes – particularly with less affluent consumers.

Finally, it is interesting to note the Competition and Markets Authority in the UK has just [launched a consultation](#) to investigate the best way to extend the principles of open banking beyond banking and into other product categories and sectors. The call for input explicitly references the Consumer Data Right in Australia as an example of an implementation that goes beyond core banking products. This is strong validation for the Australian approach of an economy-wide CDR offering open data in multiple sectors and shows that Australia can be an international leader in this space. However, and as referenced above, if it takes years to roll out each instance of the CDR, then we as a nation risk losing any competitive advantage that we have in this space.

Appendix: Data from Finder Consumer Sentiment Tracker

Source: This data all comes from the Finder Consumer Sentiment Tracker which is a monthly consumer survey which asks the same questions to a sample of 1,000 nationally representative Australians each month. The Consumer Sentiment Tracker started in May 2019.

Financial stress in Australia: Key findings

- 74% of Australians are at least somewhat stressed by their financial situation
- 42% of Australians have less than \$500 in savings

How stressed are you with your current financial situation? Respondents: 8,145	
Extremely stressed	19%
Somewhat stressed	55%
Not at all stressed	26%

How much do you have in cash savings? Respondents: 8,146	
\$0 - \$100	31%
\$101 - \$500	11%
\$501 - \$2,000	13%
\$2,001 - \$5,000	11%
\$5,001 - \$10,000	8%
\$10,001 - \$20,000	7%
\$20,001 - \$50,000	8%
> \$50,000	11%

Relationship with financial products: Key findings

- 36% of Australians do not trust fintechs at all – this compares to 16% for comparison websites and 28% for big banks
- In the last six months
 - 10% of Australians have switched their savings account
 - 8% of Australians have switched their credit card
 - 3% of Australians have switched their home loan provider
- 45% of Australians are still with the same bank as they were when they were a child

Out of five, how much do you trust the following institutions?					
Respondents: 8,145					
	Not at all (1)	2	3	4	A great deal (5)
Small banks	10.4%	27.1%	42.0%	16.1%	4.5%
Comparison websites	15.9%	27.8%	37.9%	14.1%	4.4%
Telecommunication companies	19.9%	29.8%	35.6%	10.8%	3.9%
Energy providers	21.0%	28.6%	35.2%	11.2%	4.0%
Mortgage providers/lenders	22.1%	30.4%	34.3%	9.4%	3.7%
Insurance providers	24.1%	31.1%	31.5%	9.9%	3.5%
Large tech companies (e.g. Facebook, Amazon, Google, Apple)	24.8%	28.9%	30.5%	11.1%	4.8%
Mainstream media outlets	25.5%	30.7%	32.4%	8.3%	3.1%
The government	25.8%	25.9%	30.8%	12.7%	4.8%
Big banks	27.7%	24.2%	28.4%	13.3%	6.4%
Fintechs	36.4%	26.0%	29.5%	5.5%	2.6%

Which product/services have you switched in the last 6 months? Respondents: 4,096	
None of these products	54%
Car insurance	11%
Savings account	10%
Credit card	8%
Health insurance	7%
Superannuation fund	6%
Home and contents insurance	6%
Home loan	3%
Life insurance (through super)	3%
Car loan	3%
Life insurance (not through super)	2%
Personal loan	2%
Pet insurance	2%
Share trading account	2%
Income protection insurance	2%

Are you still with the same bank you were with as a child? Respondents: 1,047 (one-off question from November 2019)	
Yes	45%
No	55%

Attitudes on sharing data: Key findings

- 24% of Australians would share their financial data if it led to a better deal
- 32% of Australians would have their personal data monitored if it led to a discount
- Australians are more likely to share their health data than their banking data in order to get a discount

Would you let banks/lenders share your data with third parties if it led to a better deal? Respondents: 1,020 (one off question from December 2019)	
Yes	24%
No	76%

Would you be willing to have your car/health/bank transactions monitored for a discount on your car insurance/health insurance/life insurance/mortgage/personal loan? Respondents: 7,130	
Yes	32%
No	68%

Which of the following would you be willing to have monitored? (Select all that apply) Respondents: 7,130	
Car data	20%
Health data	20%
Bank transactions	12%