



28th February 2019

Senate Economics Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Re: Inquiry into Treasury Laws Amendment (Consumer Data Right) Bill 2019 [Provisions]

Thank you for the opportunity to provide a submission as part of this Inquiry.

About MoneyBrilliant

MoneyBrilliant is a Fintech business based in Sydney and operating mainly in Australia. Our core proposition is to help customers make better decisions about their money so they spend less, save more and can afford to live a better life.

What we do

We help customers to do things like understand the money they have, how they spend it, track their bills, build a budget and track against it, compare their spending to other people like them, identify tax deductions, set savings goals and plan for their retirement.

Importantly, we help customers use their own data from their own bank accounts and bills to find cheaper transaction accounts, savings accounts, credit cards, home loans, electricity plans and gas plans. In other words, we help customers use their own data to find practical ways to spend less and save more.

What we do is based around core values of customer advocacy, simplicity, convenience, transparency and value for money.

In effect, we've built a business based on many of the principles and concepts contained in the Consumer Data Right Bill. We've done this without the support that the Bill will provide, but it's been much harder than it needs to be.

Our interest in the Consumer Data Right Bill

Fundamentally, the opportunity provided by the Bill is to improve competition in virtually all sectors of the Australian economy and improve the financial wellbeing of virtually all Australians. It's a significant prize that should be pursued with vigour and haste.

It is important to note that the need for, or opportunity afforded by legislation like the Consumer Data Right Bill has been highlighted many times in previous inquiries.

Without the Consumer Data Right Bill consumers will continue to make sub-optimal decisions about how they spend their money, wasting billions of dollars each year, and inefficient businesses will continue to profit from promoting confusion, complexity and information asymmetry.

We are broadly supportive of the Bill, but we have a number of specific concerns. These concerns are:

Implementation timeframes

We have been impressed with the speed with which the government and regulators have moved on this opportunity. Whilst we believe that initial timeframes were aggressive, we believe they were sensible and achievable. Any further moves to delay the implementation of legislation and designation of banking, energy and telecommunications sectors is unwarranted and in our view likely to come at significant cost to Australian economy and society.

Privacy and security

We note concerns expressed by some stakeholders regarding privacy and security. We acknowledge that privacy and security are incredibly important to the success of the Consumer Data Right regime. But these shouldn't be reasons to slow down or stop the implementation of the Consumer Data Right. The Consumer Data Right Bill provides the opportunity to put in place a rigorous, standardised set of privacy and security controls. Without this it is likely that alternate, ungoverned, non-standardised solutions to these problems will continue to evolve haphazardly.

Ability to charge for consumer data

We don't believe that the Consumer Data Right Bill should create provisions for data holders to charge for making consumer data available to them. Charging for data will significantly reduce consumer demand to access it and use it and continue to stifle competition and prop up market share of incumbents.

Inclusion of derived data

We don't believe that derived data should be included within the scope of the Consumer Data Right. Our strong view is that the Consumer Data Right should be applied to basic data generated and recorded as a result of customer interactions with a business. Derived data, or value added data is the result of additional effort and often the application of intellectual property. In our view, this data has no place in the scope of the Consumer Data Right. Further, we believe it's inclusion partly explains the need to be able to charge customers for accessing consumer data, which we also disagree with.

The need for effective rules and controls for passing data from the CDR regime

Whilst we accept the priority of determining rules for the transfer of data between participants in the Consumer Data Regime we also believe that significant, economy wide benefits can only be realised when there a secure and effective way for data to be passed to non-CDR participants.

Our concern is that the current regime will preclude thousands of small business such as financial advisers, accountants, book keepers, tax agents, mortgage brokers and other financial intermediaries from participating. The vast majority of these business have a legitimate use for the type of data that will be available within the Consumer Data Right regime but may be unable to access it.

What is proposed at present seems analogous to an EFTPOS system which only operates among major retailers when we all know that one of the main features of the EFTPOS system is its ubiquity.

In summary, we are broadly supportive of the Consumer Data Right Bill and look forward to it's passage through Parliament and subsequent implementation into designated industries.

We encourage the Committee and Parliament to be bold and to push ahead. The prize of increased competition, efficiency and financial wellbeing of all Australians warrants it.

If we can be of any further assistance to the Committee, please don't hesitate to contact us.

Yours Sincerely,

Peter Lalor
Chief Executive Officer