



17 August 2018

Consumer and Corporations Policy Division
The Treasury
Langton Crescent
PARKES ACT 2600
By email: regmod@treasury.gov.au

Dear Sir/Madam,

Modernising Business Registers Program

illion welcomes the opportunity to provide feedback to Treasury's Modernising Business Registers Program consultation paper.

illion fully supports the Australian Government's objectives, outlined in the 2018-19 Budget, to modernise the Government's business registers and provide a business case to provide options for improving the integrity and accessibility of business information, and increasing the efficiency of registry services.

In particular, illion is very supportive of the objective to improve the quality, trustworthiness and accessibility of business data.

We believe that having access to high quality, up-to-date business data not only provides a macroeconomic benefit to the business community but also helps to provide our customers with trusted insights on Australian businesses.

If there are any questions or concerns arising from this submission, please feel free to contact me at any time at [REDACTED]

Yours sincerely,

A handwritten signature in black ink, appearing to be "Steve Brown", written in a cursive style.

Steve Brown
Director- Bureau Engagement

About illion –

illion is a data and analytics business, operating in Australia since 1887. Using extensive credit and commercial databases, we assist banks, other financial services providers and other businesses to make informed credit and risk management decisions, and help consumers access their personal credit information.

Our data assets, combined with our end-to-end product portfolio and proprietary analytics capabilities, enable us to deliver trusted insights to our customers and facilitate confident and accurate decision making.

illion is highly invested in the Australian market with over 130 years of data history and experience. This experience combined with in-depth research, advanced analytics capabilities, and a comprehensive view of the data landscape, have made illion the market leader in Australia.

Submission by illion

Modernising Business Registers Program

1. What flexibility would you like to see introduced into the relevant legislation?

In regard to the legislation under which key Australian business registers are operated, we welcome the Government's intent to allow the management of registry information to be more flexible and to evolve as technologies change.

Specifically, we strongly believe that access to data should be increased, not restricted.

Under the current legislative framework, accessing directorship information, for example, is a difficult and arduous process.

By allowing more access to data it will allow the private sector to use advanced analytic matching capabilities to link a single director and identify fraudulent behaviour. As per Treasury's discussion paper, we agree that providing more access to data would both enhance economic activity and reduce economic losses for businesses through fraud and business misconduct.

In addition, it's crucial that any detailed changes to the Australian Business Register (ABR) and Australian Securities and Investment Commission (ASIC) business registers are informed through comprehensive consultation.

For example, we want to avoid a scenario that we saw two years ago where the Australian Government's attempt to streamline the registration of businesses (a single business identifier) was scrapped because the process was rushed and the consultation was highly inadequate.

Furthermore, it is also important to recognise that implementing significant changes into the systems and processes of business information and analytics firms, such as illion, will require significant time and resources, particularly for changing data structures and models.

2. What modern services should be provided for Australia's business registers?

illion is fully supportive of the objectives of the Modernising Business Registers Program, particularly looking at streamlining and making more user-centric the way in which businesses meet their obligations and maintain the data held by government as part of the normal course of business.

Modernising services and updating ageing infrastructure, we believe, will increase stability of services – a crucial point for business generally, and for business information/analytics firms such as

illion. Dealing with the ageing infrastructure of the registers in attempting to access customised data is a daily challenge for our business.

For example, when we seek to purchase customised reports from the registry it can take months for these reports to be built and provided. The arduous process and time required to extract customised data is a constant limitation for our business. It increases our costs and delays the services that we provide to our customers.

Furthermore, modern services should allow for large and sophisticated users of the registry data to access greater data through customized and automated extracts that will allow them to purchase the data elements that they require allowing a user of the registry to buy what they want, not what the registry sell. This should be at a price that reflects the breadth and depth of data purchased (e.g. tiered or volume discounts).

The current registry is highly unreliable to serve a 24*7 digital economy and the frequent outages cause significant issues for our customers. We would expect any modern registry to be run like a high availability commercial platform with minimal outages, scheduled in advance and at times convenient for your customers.

Finally, the timeliness in which documents are lodged and processed by ASIC, as well as the process through which documents are time and date stamped, can be frustratingly long and damaging to our business.

3. What services should be provided to allow direct connection from business systems to the registers?

Following on from our response to question 3, better stability of services, modernising ageing infrastructure and providing timely access to data will greatly improve connection from business systems to the registers.

Access to the registry needs to better reflect the current requirements of our business. For example, the current connection is frequently taken down for scheduled maintenance, often outside of core business hours. However, the need for registry data is no longer contained to a standard working week. Our business is edging closer to a 24/7 model and access to the registry should be the same. The prolonged scheduled maintenance windows, sometime extending across an entire weekend are not acceptable and damaging to our business. Furthermore, within the last 24 months there have been number of unscheduled outages which cause confusion and disruption to our business.

4. What interactions with the Registers should be considered to improve the quality of the registry data?

Improving the quality of registry data is a high priority for the Australian Government, and is of great importance to the services provided by illion.

We regularly find that registry data is inaccurate, usually because company data has not been updated. We also see examples of corporate shareholders from deregistered companies and companies without directors.

This impacts on our business as we are forced to invest time and resources into updating the data and delaying our services to customers. We are also forced to invest further time to notify ASIC of the issue in order for it to be corrected.

We believe the proposed administrator of the registers, the Australian Business Registrar in the Australian Taxation Office (ATO), should take an active role to ensure companies are updating their information.

We believe higher penalties should be seriously considered for late lodgement, a lack of lodgement and failure to update required information on business registers.

illion invests significant time and financial resources into updating its registers. It's not unusual for us to identify a company's changes before ASIC does.

The Modernising Business Registers Program provides an opportunity for the Registrar to partner with the private sector to ensure gaps on the registers are regularly updated and that appropriate checks and balances are in place.

As Australia's corporate, markets and financial services regulator, ASIC should not fear working with the private sector to improve the quality and efficiency of the registers.

illion would encourage and welcome an approach to assist ASIC for this process, particularly on our processes for single identifier and how we manage and maintain the quality and integrity of our data.

5. What interactions should be considered to ensure the registry data remains up to date?

It should be far easier and frictionless for businesses to ensure their registry data is up to date.

Exploring user friendly online options to streamline the registry updating process would have our full support.

As per our answer to question 4, we support more stringent penalties for businesses that fail to keep their data up to date.

6. How do you consider registration, annual review and renewal processes could be improved?

Same as above.

7. How do you consider search functions within the Registers could be improved?

illion believes that the search functions that are provided to the larger users of the registry should allow for the customisation of the data criteria by which they search as well as the data packet that is returned.

Additionally, the current search capabilities restrict organizations from conducting large scale searches as, we have found, the performance is substandard. Future search functions should offer faster response times and allow for more efficient processing.

8. What types of API users (e.g. registrants, intermediaries, data consumers) could the Charging Framework appropriately apply to?

We fully support the Government's commitment to open data and support the view that providing access to appropriately anonymised government data will produce broader economic benefit and encourage innovation.

In relation to the Charging Framework, our view is that users should not have to pay for API access and maintenance in addition to a fee for the data.

Additionally, we feel that the registry should offer volume based discounts similar to some other government organisations. For example, the cost per unit to for 100 reports should be cheaper than accessing 10 reports.

9. What fee structures should be considered if the Charging Framework was applied? For example, should data users be charged a "per transaction" fee or an "annual subscription fee"?

As stated above, we strongly believe that consideration of economies of scale should be introduced into the Charging Framework.

In addition, we support the "annual subscription fee" model with volume based discounts over the "per transaction" fee as it's fairer, more efficient and streamlined for our business.

10. What access rules should be placed on API users to facilitate innovative use of registry data?

We agree that access to APIs should not be simply made available to the wider public without proper checks and processes.

We suggest that this process is consistent with the existing procedures through which an organisation goes through in order to become a broker.

11. What level of identity verification should be required to obtain a DIN? Is it appropriate to use a digital identity to verify the identity of the company director? If not digital, what other identity verification means should be used and why?

illion believes the level of verification should be in line with Anti Money Laundering, Counter Terrorism Funding (AML / CTF) guidelines. The registry should be able to electronically verify all new directors at the point of commencement and electronically verify all existing directorships at the point of company renewal with ASIC. Leveraging public and private data sources to assist in the verification of directors will allow the registry to address the verification of both domestic and foreign directors.

Private sector has a lot of expertise in matching and identify verification that government should strongly consider leveraging both for the initial allocation of DIN's, as well as ongoing.

Attached some examples of director's issues commonly seen by our business that verification could help address.

- Deceased or incorrect date of birth – please see attached examples of directors that are seemingly over 100 years old. This data should error out at source; the dates of birth are probably 1974.

ANDREW JAMES SHEARER - document number 1E9530560

Appointment date 28 June 2013
 Date of birth 01 September 1794
 Place of birth KEW , VIC
 Address 16 PARSONS STREET
 MORDIALLOC
 VIC , 3195

DAVID IAN GRIFFITHS - document number 1E7404191

Appointment date 19 May 2011
 Date of birth 06 August 1794
 Place of birth LONDON , UNITED KINGDOM
 Address 20 CASTLEFIELD STREET
 BONDI
 NSW , 2026

- Inconsistencies in how name is registered - name appearing with multiple iterations in location and multiple iterations in name and location.

Surname	Other Names	D.O.B	Location
BLIGH	SIMON DOMINIC	29/09/1967	WEST YORKSHIRE UNITED KINGDOM
BLIGH	SIMON DOMINIC	29/09/1967	LEEDS UNITED KINGDOM
BLIGH	SIMON DOMINIC	29/09/1967	LEED, WEST YORKSHIRE UNITED KINGDOM
BLIGH	SIMON DOMINIC	29/09/1967	LEEDS WEST YORKSHIRE UNITED KINGDOM
BLIGH	SIMON DOMINIC	29/09/1967	LEEDS, WEST YORKSHIRE UNITED KINGDOM
NAUGHTON	PETER	13/01/1920	SINGAPORE
NAUGHTON	PETER WADE	13/01/1920	SEPOY LINES SINGAPORE
NAUGHTON	PETER WADE	13/01/1920	SINGAPORE

Our matching protocols will identify these multiple data entries as statistically likely to be the same people.

12. Ensuring that all directors consent to their role as a company director will be an important part of forming a company and maintaining its registration. What is the most appropriate and efficient manner of gaining a director's consent before issuing a DIN?

The director should be required to opt in at the point of registration or renewal.

13. Should the law allow authorised agents to apply for a DIN on behalf of their client? If so, how does this fit in the consent framework?

Yes.

14. What DIN related data should be made publicly and privately available (that is, only available to regulators)? Does the provision of a DIN remove the need to make director and other company officer address data publicly available? What privacy and security concerns are there around the public availability of the DIN?

The provision of a DIN does not remove the need to make director and other company officer data publicly available especially considering that it is currently publicly available.

We do not believe there will be any security concerns around the DIN being made publicly available.