



The Hon David Bradbury MP

FEDERAL MEMBER FOR LINDSAY

Parliamentary Secretary to the Treasurer

12 September 2011

Bills

Business Names Registration Bill 2011, Business Names Registration (Transitional and Consequential Provisions) Bill 2011, Business Names Registration (Fees) Bill 2011

Second Reading

Mr BRADBURY (Lindsay) (Parliamentary Secretary to the Treasurer) (05.48 PM): I would like to thank all members for their contributions to this debate on the Business Names Registration Bill 2011, the Business Names Registration (Transitional and Consequential Provisions) Bill 2011 and the Business Names Registration (Fees) Bill 2011. Australia is one economy, one market. Therefore, it is only appropriate that it should have regulatory frameworks that minimise fragmented and inconsistent regulation that makes it harder to do business across state and territory borders and adds to the compliance burden of business.

That is the purpose of the Council of Australian Governments' Seamless National Economy agenda, of which a national business names registration system is one of the key regulatory reforms. That is why this government is working with the states and territories to drive the Seamless National Economy agenda to ensure that we complete the transformation of Australia's regulatory landscape and bring it into the 21st century. Ultimately, such reform will lift productivity, keep our economy strong and create jobs.

The business names registration legislation package sets up a new national business names register to be operated by ASIC. Any entity carrying on a business in Australia using a name other than its own will be required to register with ASIC. The register will enable any party, be they a consumer or another business, to ascertain who the entity is behind a business name and provide them with the means to contact that entity. Under the new system, businesses will only need to complete a single online application and pay a single fee to register a business name nationally. This will mean for most businesses reduced registration costs and a simpler process, especially for businesses that trade in more than one state or territory. At present, a business operating and registering in every state and territory faces a cost of

more than \$1,000 to register a business name for three years. Under the national registration system, businesses will pay only one fee, which will be in the order of \$70 to register for the three years. An optional \$30 fee will apply for a one-year registration.

In most cases businesses that trade in just one state or territory will also benefit from this lower fee. For example, in my state of New South Wales, the three-year business name registration fee is \$160 for new registrations and \$115 for renewing registration. In Queensland, a three-year business name registration fee is \$255.60 for new registrations and \$206.85 for renewing registration. Given these cost savings for business, it is not surprising that the national business names registration system combined with a number of other related initiatives, such as the National Australian Business Licence and Information Service and the Australian Business Account, is estimated to provide benefits of \$1.5 billion over eight years to business, government and consumers.

The Commonwealth has no power to regulate for business name registrations in Australia. Therefore, the establishment of a national business names registration system and the legislation which underpins it relies on a referral of constitutional powers from the states to the Commonwealth. The states therefore must enact referral legislation to give effect to the national registration system. States have agreed to pass referral legislation by March 2012 to enable data transfer to the national register to commence so that the system can be operational from the end of May 2012. Currently, referral legislation is before the parliaments of Tasmania and Queensland, with other states to progress their referral legislation in the coming months. I would like to express the government's appreciation for the hard work of all the Commonwealth, state and territory officials involved with the development of a national business names registration system. I would also like to thank all stakeholders who participated in the extensive consultation process involved in developing this legislation.

In closing, a national business names registration system is a long overdue reform. It is a sensible and practical reform which will deliver considerable benefits. Perhaps it can best be summarised by using the words of a small business organisation itself, in this case Independent Contractors Australia. I believe this quote was used by the member for Blair in his contribution to the debate a little earlier. In an email sent to their members after the introduction of this legislation in the Australian parliament, this is how they described a national business names registration system:

This is what red tape-cutting is about. It's the boring and tedious side of government, but it's this sort of commonsense reform that makes for better business.

And they are right. This is the sort of commonsense reform that makes for better business, and it is commonsense reform from this government, which is delivering. It is reflective of our firm commitment to supporting businesses and in particular small businesses.