



FEDERAL BUDGET 2020

Delivering for FinTech



CHAIR OF SELECT COMMITTEE ON FINANCIAL TECHNOLOGY AND REGULATORY TECHNOLOGY

For the past year I have been chairing the Senate Select Committee on Financial Technology and Regulatory Technology.

In September 2020, I tabled an Interim Report which sets out a plan for more choice and more jobs.

- Senator Andrew Bragg



DELIVERING FOR FINTECH

THE INTERIM REPORT CONTAINS THIRTY TWO RECOMMENDATIONS ACROSS SEVEN KEY THEMES INCLUDING; TAX, REGULATION, CONSUMER DATA RIGHT, CAPITAL, CULTURE, SKILLS AND COVID.

As the pandemic has shown, adaptability and technology underpin the jobs of today - let alone tomorrow. I am delighted that Federal Treasurer, the Hon. Josh Frydenberg MP, has seen fit to implement some of those recommendations in the 2020-2021 Federal Budget.

This booklet provides a brief overview of the work undertaken with respect to the Select Committee, adopted in this year's Federal Budget.



QUICK WINS: JOBS AND CHOICE

THE INQUIRY IS ABOUT ENSURING THE SETTINGS ARE OPTIMAL TO ENCOURAGE AND SUPPORT AUSTRALIAN FINTECH AND REGTECH BUSINESSES.

The purpose of which is to increase competition and productivity, offer technology solutions to assist customers, create jobs and also engage in export opportunities.

More jobs and more choice will be the dividend.

www.andrewbragg.com

“The interim report from Andrew Bragg's fintech inquiry clearly focused some minds in the Government ahead of the Budget. Significant support for digital enablement and the Research and Development Tax Incentive clearly reflected priorities outlined in the fintech review and were warmly welcomed by the tech sector.”

Startup Aus



URGENT

IMMEDIATE ACTION

BY ENDORSING THESE RECOMMENDATIONS THE TREASURER HAS CREATED AN IMMEDIATE PATHWAY TO ACHIEVE OUR GOALS.

- ✓ \$800 million to enable business to take advantage of digital technologies to grow businesses and create jobs.
- ✓ Digital Identity, Consumer Data Right and Fringe Benefit Tax (FBT) are a few of the key policy areas from the Interim Report that have been supported in the Budget.
- ✓ The Government also announced important changes to the R&D tax incentive (RDTI).

The following outlines the Budget's response to the recommendations I tabled in the Interim Report.



RECOMMENDATION

ACTIONED

1 The Committee recommends that the Corporations Act 2001 be amended to allow companies to decide the best format for holding their annual general meetings and other prescribed meetings (whether through virtual meetings, in-person meetings or hybrid meetings), while ensuring the needs of shareholders are taken into account.



**Budget
Paper
No. 2,
(p. 65).**

6 The Committee recommends that work on implementing ePrescriptions in Australia continue as quickly as possible, and that the Australian Government ensure an open and accessible market for ePrescription services.



**Budget
Paper
No. 2,
(p. 244).**

Continued over page...



RECOMMENDATION

ACTIONED

7

The Committee recommends that the Digital Identity reforms led by the Digital Transformation Agency be accelerated in order to deliver a national, economy-wide framework for the operation of a federated digital identity ecosystem as soon as possible.



**Budget
Paper
No.2,
(p. 66).**

10

The Committee recommends that the Australian Government provide increased certainty around claiming the Research & Development Tax Incentive through issuing guidance in conjunction with the Australian Tax Office. In particular, clear limitations should be placed on the ability for payments to be clawed back retrospectively.



**Budget
Paper
No. 2,
(p. 19).**

Continued over page...

RECOMMENDATION

19

The Committee recommends that the Australian Government establish a new national body to consolidate regulatory responsibilities in relation to the implementation of the Consumer Data Right.

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The Committee recommends that the Australian Government work with the banking industry to establish and implement targeted campaigns to educate consumers on the Consumer Data Right and the opportunities that Open Banking provides.

ACTIONED



**Budget
Paper
No. 2,
(p. 65).**



**See
response
to Rec 19.**

Continued over page...



RECOMMENDATION

ACTIONED

31

The Committee recommends that the Australian Government work with industry to ensure reskilling of workers affected by economic change and the availability and accessibility of microcredentials for those seeking to join the FinTech and RegTech industries.



**Budget
Paper No.2,
(p. 225-
227).**

32

The Committee recommends that the Australian Government explore including eligible outplacement training under the Fringe Benefit Tax exemption provision for eligible startups.



**Budget
Paper No.2,
(p. 15).**



SUPPORTING GROWTH

"The ABA acknowledges key recommendations in the interim report and looks forward to working with Senator Bragg, the Committee and the Government on this important agenda."

Australian Banking Association

"This year's budget delivered on a lot of fronts for the fintech industry. But crucially, it showed us that the federal government is indeed listening to our requests and acting on them. Much of the Digital Business Plan actions prior suggestions from FinTech Australia and its members."

FinTech Australia



NEXT PHASE

WHILE SOME IMPORTANT THINGS HAVE ALREADY BEEN DELIVERED, THE NEXT PHASE OF THE INQUIRY WILL BE CRUCIALLY IMPORTANT FOR AUSTRALIA'S ECONOMY.

A final report will be handed down on 16 April 2021.

Submissions will soon be open for the final report, I would like to hear your views on any ideas you have on this agenda.

- Andrew Bragg

