



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

11 April 2022

Sectoral Assessments
Consumer Data Right Division
Treasury
Langton Crescent
PARKES ACT 2600

via email: data@treasury.gov.au

Dear Sir/Madam

Consumer Data Right (CDR) – Sectoral Assessment for the Open Finance sector - Non-Bank Lending

We support the introduction of the CDR into the non-bank lending sector as it will not only provide consumers opportunity to gain a more complete picture of their financial circumstances and options but will further encourage competitiveness and reward innovation within the financial sector.

We have previously raised concerns about the substantial upfront costs imposed on smaller providers to participate in CDR, most recently in relation to the energy and telecommunications sectors. We recognise the balance achieved for the energy sector whereby smaller providers can choose to opt in but there is no mandate. We recommend the same for non-bank lenders.

We would support the application of an existing demarcation such as the total asset value used in the *Financial Sector (Collection of Data) Act 2001 (Cwlth)* to determine which non-bank lenders are able to choose to opt into the CDR system and which are mandated to.

We also acknowledge that due to the Rule changes that came into effect in February this year, mortgage brokers are 'trusted advisers' under the CDR Rules and as such are better able to support their clients through an enhanced visibility of their clients' financial obligations. Given their professional standards and the key roles they fill in arranging commercial and asset finance for small businesses we recommend including commercial finance brokers in the definition of trusted advisers.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Mike Kearney on 02 5114 6119 or at michael.kearney@asbfeo.gov.au.

Yours sincerely


The Hon. Bruce Billson
Australian Small Business and Family Enterprise Ombudsman

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