

Submission to ASIC Consultation Paper 383

Reportable Situations and Internal Dispute Resolution Data Publication

Prepared for:

Australian Securities and Investments Commission
RS and IDR Data Publication Project Team
GPO Box 9827
Melbourne VIC 3001
Email: data.publication@asic.gov.au

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This submission responds to ASIC's Consultation Paper 383, advocating for anonymised, sector-level publication of Reportable Situations (RS) and Internal Dispute Resolution (IDR) data to achieve transparency while avoiding the risks of firm-level identification.

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Executive Summary

We commend ASIC's commitment to transparency through the proposed publication of Reportable Situations (RS) and Internal Dispute Resolution (IDR) data, as outlined in Consultation Paper 383. However, we strongly believe that the inclusion of firm-identifying data elements, such as licensee names and licence numbers, have the potential to seriously undermine ASIC's objectives of fostering trust, accountability, and consumer outcomes. Accordingly, we oppose this component. Instead, we advocate for the publication of anonymised, sector-level data, which achieves transparency while avoiding significant risks to the financial services ecosystem.

Naming firms invites misinterpretation by lacking context—high RS or IDR volumes may reflect robust compliance systems, not failure, yet public perception often skews negative, equating minor breaches or complaints with serious issues. Additionally, the absence of AFSL scale context exacerbates this: an AFSL with 500 advisers naturally reports higher volumes than one with two advisers, but consumers may misinterpret higher numbers as poor quality, not size-related (Page 11, B3(b)(i)). This poses a serious risk of eroding trust, with competitors and media likely to weaponise data to shame firms, contradicting ASIC's goal of building confidence in the system (Page 6, Paragraph 3).

Accountability is already well assured through ASIC's access to detailed data for targeted regulatory action, rendering firm naming redundant, with no evidence it would add value. Firm-level benchmarking is flawed in concept, as diverse compliance and reporting systems produce incomparable results, potentially seriously misleading or confusing users. The broader ecosystem will suffer if firms reduce reporting or discourage complaints to avoid scrutiny, or if smaller firms face disproportionate reputational harm, reducing consumer choice and market diversity.

The current RS reporting landscape further complicates firm-level publication, as smaller AFSLs report disproportionately fewer breaches compared to larger firms, despite ASIC's expectations (Page 7, Paragraph 5). This likely stems from inadequate systems, unclear responsibilities, or discreet issue resolution with low detection risk. Naming firms penalises those with transparent, robust processes while rewarding non-compliant smaller AFSLs that under-report, creating an uneven playing field that distorts consumer perceptions and harms the ecosystem.

Our responses to the consultation questions endorse ASIC's proposed dashboards, data elements, and contextual statements for their potential to inform stakeholders, but only at a sector level. We recommend:

- **Anonymised Aggregates:** Publish data by industry, product, or issue type to highlight trends without naming firms.
- **Enhanced Contextual Notes:** Include statements clarifying system variations, breach/complaint diversity, and existing regulatory oversight to counter misinterpretation.
- **Sector-Focused Features:** Add visualisations and filters for industry trends to support consumer awareness and firm improvements.
- **Audit Reporting Consistency:** Conduct an in-depth audit of the RS reporting rollout to assess compliance consistency across AFSLs, particularly smaller firms, ensuring data reflects true breach prevalence before public publication.

These measures ensure RS and IDR data drive meaningful insights, aligning with ASIC's transparency aims while avoiding consumer confusion, trust erosion, and ecosystem harm. We urge ASIC to adopt sector-level publication to deliver a balanced, effective outcome for all stakeholders.

Question B1Q1: Do you have any comments about the proposed format of the data publication, or any suggestions for the interactive dashboards?

Proposal Summary (Page 10, Proposal B1): ASIC proposes publishing RS and IDR data in two separate interactive dashboards, allowing users to search and filter data for insights. The goal is to make complex data accessible and actionable, enhancing transparency and supporting informed decision-making for consumers, firms, and regulators (Page 10, Paragraph 24).

Response: We support the use of interactive dashboards as a tool to present RS and IDR data in a user-friendly format, as they can effectively highlight industry trends and inform stakeholders. However, we strongly oppose including firm names in these dashboards, as this risks significant harm without advancing ASIC's objectives of enhancing trust, accountability, and consumer outcomes. Instead, we advocate for aggregated, anonymised sector-level data, which achieves transparency while mitigating serious drawbacks.

Naming firms invites misinterpretation due to lack of context. For example, high RS or IDR volumes may reflect robust compliance systems rather than poor performance, yet the public is likely to perceive them negatively (Page 11, B3(b)(i)).

Low RS volumes may also reflect robust pre-emptive systems that will be misconstrued as potentially poor and ineffective. Not all reportable situations are equal—minor administrative errors are treated the same as breaches that cause or are likely to cause client detriment—leading to unfair judgment by those reviewing data.

This misinterpretation is compounded by inconsistent reporting practices, particularly among smaller AFSs, which submit disproportionately fewer RS reports (Page 7, Paragraph 5). Factors such as limited systems, unclear obligations, or discreet fixes with low detection risk mean smaller firms often under-report, while larger, transparent firms appear worse despite stronger compliance.

This risks eroding consumer trust in the financial system, contrary to ASIC's aim (Page 6, Paragraph 3), as public shaming can be weaponised by competitors or amplified by media for commercial or sensationalist purposes, creating a narrative that's always out of context and biased toward the worst interpretation.

Moreover, naming firms doesn't enhance accountability beyond existing frameworks. ASIC already has the data and authority to engage firms directly for further inquiry or action (Page 15, Paragraph 40), and no case has been made for why public disclosure adds value. Benchmarking at the firm level is flawed, as differing monitoring systems produce incomparable results, making comparisons misleading and meaningless. These issues harm the entire ecosystem by discouraging honest reporting—firms may under-report to avoid scrutiny, undermining data quality—and disproportionately affect smaller firms, which lack resources to counter reputational damage, thus reducing market diversity.

To improve the dashboards, we suggest:

- **Anonymised Data:** Present sector-level aggregates (e.g., by product or issue type) to show trends without naming firms, aligning with transparency goals.
- **User Guidance:** Include clear tutorials and tooltips explaining terms like "significant breach" to help consumers and advisers interpret data correctly.
- **Summary Views:** Offer default views focusing on key industry metrics (e.g., average resolution times, breach frequency by sector) to avoid overwhelming users.

These features would make dashboards effective for all stakeholders while avoiding the chilling effect, consumer confusion, and competitive distortions caused by firm naming. Sector-level data ensures ASIC meets its objectives without the net negative outcomes of public shaming.

Question B2Q1: Do you have any comments on this proposal?

Proposal Summary (Page 10, Proposal B2): ASIC proposes making some RS and IDR data available for download from the interactive dashboards. The downloadable data will not be more granular or detailed than what's shown in the dashboards, ensuring consistency with the published scope (Page 10, Paragraph 24; Section C for scope details).

Response: We support the concept of making RS and IDR data downloadable, as it can enhance accessibility for stakeholders like advisers, researchers, and regulators who wish to analyse industry trends offline. However, we strongly object to including firm-identifying data in these downloads, as this would exacerbate the risks of naming firms, undermining ASIC's goals of fostering trust, accountability, and consumer outcomes. Aggregated, anonymised sector-level data should be downloadable instead, aligning with transparency without causing harm.

Downloading firm-level data amplifies the potential for misinterpretation. Without context, users might wrongly assume high RS or IDR numbers indicate poor performance, when they could reflect robust systems (Page 11, B3(b)(i)). Treating all breaches—whether minor administrative issues or serious client detriment—equally in public datasets invites unfair comparisons. This risks eroding trust, as downloadable data could be weaponised by competitors or journalists to shame firms out of context, creating lasting negative narratives that don't support ASIC's aim of building confidence in the financial system (Page 6, Paragraph 3).

Furthermore, firm-level downloads don't add accountability beyond ASIC's existing tools. ASIC already accesses detailed data to target non-compliant firms (Page 15, Paragraph 40), and public downloads offer no additional regulatory benefit. Benchmarking is unreliable, as varied compliance systems make firm-to-firm comparisons misleading, especially in static datasets that lack explanatory notes. The broader ecosystem suffers if firms reduce reporting to avoid public scrutiny, which could degrade data quality, or if smaller firms face disproportionate reputational hits, limiting consumer choice.

We recommend downloadable data be limited to sector-level aggregates, such as breach or complaint trends by product or issue, preserving usability without naming firms. Including metadata—like definitions of terms (e.g., "core obligation") or scope notes (e.g., time periods covered)—would help users interpret downloads correctly, reducing confusion. This approach ensures stakeholders can analyse data meaningfully while avoiding the chilling effect, market distortion, and long-term reputational damage of firm-specific disclosures.

Question B3Q1: Do you have any comments about ASIC using explanatory notes and contextual statements to assist in the interpretation of the data?

Proposal Summary (Page 11, Proposal B3): ASIC proposes including explanatory notes and contextual statements in the RS and IDR dashboards to help users understand and interpret the data. These include a glossary (e.g., explaining terms like “number of RS reports” vs. “number of reportable situations”), contextual statements (e.g., high RS/IDR volumes may reflect strong systems, not non-compliance; no submissions don’t mean no issues; some breaches are still under investigation), and descriptions of the data’s scope (e.g., time periods, types of reports included/excluded) (Page 11, Paragraph 25).

Response: We welcome ASIC’s proposal to include explanatory notes and contextual statements, as these are critical for helping users—consumers, advisers, and firms—interpret complex RS and IDR data accurately. However, while these measures are a step in the right direction, they don’t fully mitigate the significant risks of naming firms in the dashboards. We strongly urge ASIC to publish anonymised, sector-level data instead, which achieves transparency and supports correct interpretation without the adverse effects of firm-level identification.

ASIC’s acknowledgment that high RS or IDR volumes may indicate robust compliance systems (Page 11, B3(b)(i)) underscores the need for context, but naming firms risks this nuance being lost. Public users are likely to equate high numbers with failure, especially when minor breaches, like administrative errors, are presented alongside serious ones causing client harm. This lack of context fuels misinterpretation, undermining ASIC’s goal of fostering trust (Page 6, Paragraph 3).

Downloadable or archived data could be weaponised by competitors or media, amplifying negative perceptions out of context, which erodes confidence in the financial system rather than building it.

This risk is heightened by the lack of AFSL scale context—larger AFSLs with many advisers naturally report higher volumes (e.g., IDR-DE 3.1 Number of complaints) than smaller ones, but without this context, consumers may wrongly judge larger firms as less compliant.

Naming firms also fails to enhance accountability beyond existing mechanisms. ASIC’s access to detailed data already enables targeted regulatory action (Page 15, Paragraph 40), and public shaming adds no value, particularly when no case justifies it. Benchmarking firms is flawed, as differing monitoring systems produce incomparable results, misleading users even with explanatory notes. The ecosystem suffers if firms, fearing scrutiny, report less proactively, degrading data quality, or if smaller firms face disproportionate reputational damage, reducing market diversity.

To strengthen the proposal, we suggest:

- **Anonymised Data:** Use sector-level aggregates to avoid firm-specific misinterpretation, with notes explaining industry trends (e.g., breach frequency by product).
- **Enhanced Notes:** Expand contextual statements to clarify that data reflects system variations, not uniform performance, and warn against simplistic comparisons.
- **Prominent Guidance:** Place warnings upfront (e.g., “High volumes may show strong reporting, not failure”) to counteract negative biases, especially for consumers.

These steps would ensure explanatory notes maximise understanding while aligning with ASIC’s transparency goals, avoiding the trust erosion, consumer confusion, and ecosystem harm caused by naming firms.

Question B4Q1: Do you have any suggestions on potential features that ASIC should consider in future? Please provide details, including the benefits that suggested features would provide.

Proposal Summary (Page 12, Proposal B4): ASIC notes that future publications might include additional dashboard features to support data use and interpretation, but these won't be part of the 2025 publication. They're seeking suggestions for potential features and their benefits, considering factors like resource costs and regulatory burden (Page 12, Paragraphs 26-27).

Response: We appreciate ASIC's openness to enhancing dashboards in future to improve data interpretation and usability. However, we firmly believe that including firm names in any dashboard—now or later—would undermine ASIC's objectives of fostering trust, accountability, and consumer outcomes.

Instead, we recommend focusing future features on anonymised, sector-level data, which delivers transparency without the significant risks of naming firms, and propose features that reinforce this approach for maximum benefit.

Naming firms creates a minefield of misinterpretation, as data lacks context—high RS or IDR numbers might signal diligent reporting, not failure, yet the public often sees them otherwise (Page 11, B3(b)(i)). Minor breaches get lumped with serious ones, inviting unfair judgments that erode trust, especially when competitors or media weaponise data for gain, contradicting ASIC's trust-building goal (Page 6, Paragraph 3).

Accountability is already assured through ASIC's direct data access for targeted action (Page 15, Paragraph 40), with no evidence public naming adds value. Firm-level benchmarking is flawed due to varied compliance systems, misleading users, and naming risks chilling honest reporting or disproportionately hitting smaller firms, harming the ecosystem.

To enhance future dashboards while avoiding these pitfalls, we suggest:

- **Sector Trend Visualisations:** Add interactive charts showing industry-wide trends (e.g., breach rates by product, complaint resolution times by sector). **Benefit:** Helps consumers and advisers identify systemic issues without shaming firms, supporting informed choices and trust.
- **Filterable Aggregates:** Allow filtering by broad categories (e.g., firm size bands, product types) without identifying entities. **Benefit:** Enables benchmarking at a macro level, avoiding flawed firm comparisons and encouraging compliance improvements.
- **Educational Pop-Ups:** Include clickable guides explaining data limitations (e.g., "Numbers vary due to system differences, not just performance"). **Benefit:** Reduces consumer confusion and misinterpretation, aligning with ASIC's readability aim (Page 11, Paragraph 25).
- **Feedback Portal:** Integrate a tool for users to suggest improvements or flag unclear data. **Benefit:** Ensures dashboards evolve to meet stakeholder needs without burdening firms with extra reporting.
- **Compliance Audit Tool:** Integrate a feature to report findings from an ASIC audit of RS reporting consistency, focusing on smaller AFSs' under-reporting. **Benefit:** Builds confidence in data reliability, ensuring dashboards reflect accurate industry trends without penalising compliant firms.

These features would make dashboards more insightful and user-friendly, focusing on industry patterns to drive better outcomes. By keeping data anonymised, ASIC avoids consumer mistrust, market distortion, and long-term reputational damage, ensuring resources are used effectively without the net negative of firm naming.

Question D1Q1: Do you have any comments on the proposed data elements in Table 1 to Table 7?

Proposal Summary (Page 16, Proposal D1): ASIC proposes publishing RS data elements listed in Tables 1 to 7, covering licensee details (e.g., name, licence number), breach volume and nature (e.g., number of reports, product), extent and impact (e.g., customers affected), investigation details (e.g., time to identify breaches), remediation (e.g., compensation paid), rectification (e.g., methods used), and reporting practices (e.g., total submissions). These will be published at firm and industry levels, focusing on significant breaches/likely breaches for 2024-25 (Page 16, Paragraphs 41-45).

Response: We support the inclusion of many proposed RS data elements in Tables 1 to 7 for their potential to highlight compliance trends and consumer impacts at a sector level, which aligns with ASIC's transparency goals. However, we strongly oppose publishing elements that identify firms, particularly RS-DE 1.1 (Licensee name), RS-DE 1.3 (Licence number), RS-DE 1.4 (ABN), and RS-DE 1.5 (ACN), as naming firms risks significant harm without advancing trust, accountability, or consumer outcomes. Anonymised, sector-level data would better serve these objectives while avoiding misinterpretation and ecosystem damage.

Firm identifiers exacerbate the lack of context in data interpretation. High breach numbers (RS-DE 2.1) or customer impacts (RS-DE 3.1) might reflect robust systems, not failure, but naming firms invites public misjudgment, especially when minor errors are equated with serious breaches (Page 11, B3(b)(i)). This fuels trust erosion, as named firms face shaming or weaponisation by competitors and media, undermining ASIC's aim of building confidence (Page 6, Paragraph 3).

Accountability is already ensured through ASIC's existing data access for targeted action (Page 15, Paragraph 40), and no case justifies public naming. Benchmarking via elements like number of reports (RS-DE 2.1) or investigation timeframes (RS-DE 4.4) is flawed, as varied systems make comparisons unreliable, misleading users when tied to firm names. The ecosystem suffers if firms reduce reporting to avoid scrutiny, degrading data quality, or if smaller firms lose clients unfairly, reducing choice.

We endorse non-identifying elements—like breach nature (RS-DE 2.2 Product, RS-DE 2.3 Issue), impact (RS-DE 3.1 Customers impacted), and remediation (RS-DE 5.3 Amount of compensation)—for sector-level publication, as they inform without shaming. We suggest:

- **Remove Firm Identifiers:** Exclude RS-DE 1.1, 1.3, 1.4, and 1.5, aggregating data by industry or product type.
- **Group by Sector:** Present elements like RS-DE 2.4 (Root cause) or RS-DE 6.2 (Rectification method) as industry aggregates to show trends.
- **Clarify Context:** Pair elements with notes (e.g., "High numbers may indicate diligence") to aid understanding.

These adjustments ensure data elements drive insights without consumer confusion, market distortion, or the chilling effect of firm naming, aligning with ASIC's goals effectively.

Question D1Q2: Are there any reasons why these data elements should not be published?

Proposal Summary (Page 16, Proposal D1): ASIC proposes publishing RS data elements in Tables 1 to 7, including licensee details (e.g., name, licence number, ABN), breach volume and nature (e.g., number of reports, product, issue), extent and impact (e.g., customers impacted, financial loss), investigation details (e.g., time to identify breaches), remediation (e.g., compensation status), rectification (e.g., methods, status), and reporting practices (e.g., total submissions). These will be published at firm and industry levels for significant breaches/likely breaches in 2024-25 (Page 16, Paragraphs 41-45).

Response: While many RS data elements in Tables 1 to 7 are valuable for understanding industry compliance trends, we strongly oppose publishing those that identify firms—specifically RS-DE 1.1 (Licensee name), RS-DE 1.3 (Licence number), RS-DE 1.4 (ABN), and RS-DE 1.5 (ACN)—as they pose significant risks that undermine ASIC’s goals of fostering trust, accountability, and consumer outcomes. These elements should not be published at the firm level due to their potential for misinterpretation, reputational harm, and ecosystem damage. Anonymised, sector-level publication of all elements would better achieve transparency without these negative impacts.

Publishing firm identifiers invites misinterpretation by lacking context. For instance, high numbers of reports (RS-DE 2.1) or customers impacted (RS-DE 3.1) may reflect diligent compliance systems, not failure, yet the public is likely to view named firms negatively (Page 11, B3(b)(i)). Equating minor administrative breaches with those causing client detriment creates unfair perceptions, amplifying trust erosion when competitors or media weaponise data for commercial or sensationalist ends, contrary to ASIC’s trust-building objective (Page 6, Paragraph 3).

Accountability is already robust—ASIC’s access to detailed data allows targeted regulatory action without public disclosure (Page 15, Paragraph 40)—and no evidence supports the need for naming firms. Firm-level benchmarking, using elements like investigation timeframes (RS-DE 4.4) or compensation paid (RS-DE 5.3), is flawed, as diverse monitoring systems render comparisons misleading. The ecosystem suffers if firms, fearing public shaming, report less proactively, reducing data reliability, or if smaller firms face disproportionate client loss, limiting market diversity.

Non-identifying elements, such as RS-DE 2.2 (Product), RS-DE 2.4 (Root cause), or RS-DE 6.2 (Rectification method), are suitable for sector-level publication to inform stakeholders without harm. Excluding firm identifiers ensures data drives insights, not confusion or distortion, avoiding the chilling effect and long-term reputational damage of naming firms. ASIC should aggregate all elements by industry or category, preserving the proposal’s value while aligning with its transparency aims.

Question D1Q3: Are there any specific contextual statements that may help users to interpret the data elements?

Proposal Summary (Page 16, Proposal D1): ASIC proposes publishing RS data elements in Tables 1 to 7, covering licensee details (e.g., name, licence number), breach volume/nature (e.g., number of reports, product), impact (e.g., customers affected), investigation (e.g., timeframes), remediation (e.g., compensation), rectification (e.g., methods), and reporting practices (e.g., submissions). D1Q3 seeks suggestions for contextual statements to aid interpretation, building on ASIC’s plan for explanatory notes (e.g., high volumes may reflect strong systems) (Page 11, Paragraph 25; Page 16, Paragraphs 41-45).

Response: We support ASIC’s aim to provide contextual statements to clarify RS data elements, as these are vital for reducing misinterpretation by consumers, advisers, and firms. However, no contextual statement can fully offset the risks of publishing firm-identifying elements like RS-DE 1.1 (Licensee name), RS-DE 1.3 (Licence number), RS-DE 1.4 (ABN), and RS-DE 1.5 (ACN). Naming firms undermines trust, accountability, and consumer outcomes, and we urge sector-level, anonymised data instead. To support this, we propose specific statements that enhance understanding of industry trends without the harm of firm-level disclosure.

Naming firms obscures context—high report numbers (RS-DE 2.1) or customer impacts (RS-DE 3.1) might indicate rigorous compliance, not failure, but public users often misjudge (Page 11, B3(b)(i)). Minor breaches get conflated with serious ones, risking trust erosion as named firms face shaming or weaponisation by competitors and media, countering ASIC’s trust goal (Page 6, Paragraph 3).

Accountability is already served by ASIC’s data-driven oversight (Page 15, Paragraph 40), with no need for public naming. Benchmarking elements like investigation times (RS-DE 4.4) or remediation (RS-DE 5.3) is flawed, as system differences make firm comparisons unreliable. The ecosystem suffers if firms report less to avoid scrutiny, reducing data quality, or if smaller firms lose market share unfairly.

To aid interpretation of sector-level data, we suggest these contextual statements:

- **System Diversity:** “Breach and reporting numbers vary due to firms’ unique compliance systems, so industry aggregates offer the clearest insights.”
- **Breach Range:** “Reportable situations include minor errors and significant issues—numbers don’t reflect severity without further detail.”
- **Regulatory Action:** “ASIC uses full data to ensure compliance privately, making public firm naming unnecessary for accountability.”
- **Reporting Value:** “Higher reports can signal proactive compliance, strengthening the system, not weakness.”

These statements, paired with elements like RS-DE 2.2 (Product) or RS-DE 6.2 (Rectification method) at a sector level, would clarify trends, counter negative biases, and encourage honest reporting. They align with ASIC’s transparency aims while avoiding consumer confusion, market distortion, and the chilling effect of naming firms.

Question D1Q4: Are there other data elements that you think should be published? Please provide detailed reasons.

Proposal Summary (Page 16, Proposal D1): ASIC proposes publishing RS data elements in Tables 1 to 7, including licensee details (e.g., name, licence number), breach volume/nature (e.g., number of reports, product), impact (e.g., customers affected), investigation (e.g., timeframes), remediation (e.g., compensation), rectification (e.g., methods), and reporting practices (e.g., submissions) for 2024-25 significant breaches/likely breaches. D1Q4 asks for suggestions on additional data elements and why they should be included (Page 16, Paragraphs 41-45).

Response: We believe the proposed RS data elements in Tables 1 to 7 cover key areas like breach nature, impact, and remediation, which are valuable for sector-level transparency. However, we strongly oppose publishing firm-identifying elements (e.g., RS-DE 1.1 Licensee name, RS-DE 1.3 Licence number) due to their potential to harm trust, accountability, and the ecosystem, and advocate for anonymised, industry-wide data instead. Rather than adding firm-specific elements, we suggest new sector-level elements to enhance insights without the risks of naming firms, aligning with ASIC's goals of transparency and consumer outcomes.

Naming firms distorts data interpretation—high report numbers (RS-DE 2.1) might reflect diligent systems, not failure, but public shaming risks misjudgement when minor breaches are equated with serious ones (Page 11, B3(b)(i)). This erodes trust, as competitors or media could weaponise data, undermining ASIC's aim of confidence-building (Page 6, Paragraph 3).

Accountability is already robust through ASIC's data-driven oversight (Page 15, Paragraph 40), with no need for public naming. Firm benchmarking is unreliable due to system differences, and naming could chill reporting or disproportionately hurt smaller firms, weakening the ecosystem.

We propose these additional sector-level data elements:

- **Industry Remediation Success Rate:** Percentage of breaches where remediation (e.g., compensation, RS-DE 5.2) was completed within a set timeframe, aggregated by sector or product. **Reason:** Highlights industry progress in addressing consumer harm, informing choices without firm-specific blame, supporting ASIC's consumer outcome focus.
- **Sector Compliance Trends:** Year-on-year changes in breach types (RS-DE 2.3 Issue) or root causes (RS-DE 2.4) across industries. **Reason:** Identifies systemic issues for regulators and firms to address, enhancing compliance without misleading firm comparisons.
- **Aggregate Consumer Impact Severity:** Proportion of breaches with high vs. low customer financial loss (RS-DE 3.2) by sector. **Reason:** Clarifies impact scale industry-wide, aiding consumer awareness while avoiding shaming.

These elements, presented anonymously, would enrich dashboards with actionable insights, avoiding consumer confusion, market distortion, and the chilling effect of firm naming, ensuring ASIC's transparency goals are met effectively.

Question E1Q1: Do you have any comments on this proposal?

Proposal Summary (Page 30, Proposal E1): ASIC proposes publishing IDR data elements in Tables 8 to 10, covering financial firm details (e.g., name, licence number, firm type), complainant demographics (e.g., type, gender, age, postcode), and complaint information (e.g., number of complaints, resolution time, outcomes, monetary remedy). Most elements will be published at firm and industry levels for 2023-24 and 2024-25, except the complaint unique identifier and free-text fields, with some (e.g., demographics) possibly aggregated due to privacy concerns (Page 29, Paragraphs 52-60).

Response: We support the inclusion of many IDR data elements in Tables 8 to 10 for their ability to shed light on complaint trends and consumer experiences at a sector level, aligning with ASIC's transparency objectives. However, we strongly oppose publishing firm-identifying elements—namely IDR-DE 1.1 (Financial firm name), IDR-DE 1.3 (Licence number), and IDR-DE 1.2 (Financial firm type) when linked to specific firms—as they risk undermining trust, accountability, and consumer outcomes. Anonymised, sector-level data would better achieve ASIC's goals without causing misinterpretation or ecosystem harm.

Including firm identifiers invites misjudgement due to insufficient context. High complaint numbers (IDR-DE 3.1) might reflect a positive complaints culture, not poor service, yet naming firms risks public perception of failure, especially when minor issues are lumped with significant ones (Page 11, B3(b)(i)). This erodes trust, as competitors or media could weaponise data to shame firms, countering ASIC's aim of fostering confidence (Page 6, Paragraph 3).

Accountability is already ensured through ASIC's oversight of IDR data for targeted action (Page 15, Paragraph 40), and no evidence justifies public naming. Benchmarking elements like resolution times (IDR-DE 3.7) or outcomes (IDR-DE 3.11) at the firm level is flawed, as varied systems make comparisons unreliable. The ecosystem suffers if firms, fearing scrutiny, discourage complaints or if smaller firms lose clients unfairly, reducing choice.

Additionally, the proposed exemption of individual AFSL holders from naming, while firms are identified (Page 14, Paragraph 34), creates an inconsistent and inequitable framework. All AFSL holders should face uniform publication standards to ensure fairness and avoid distorted consumer perceptions, further justifying the need for anonymised, sector-level data.

We endorse non-identifying elements—like IDR-DE 3.9 (Product or service), IDR-DE 3.10 (Complaint issue), and IDR-DE 3.12 (Monetary remedy)—for sector-level publication to inform without harm. We suggest:

- **Exclude Identifiers:** Remove IDR-DE 1.1, 1.3, and firm-specific IDR-DE 1.2, aggregating data by industry or product.
- **Highlight Trends:** Present elements like IDR-DE 3.4 (Complaint channel) or IDR-DE 3.7 (Resolution time) as sector averages to show patterns.
- **User Clarity:** Pair data with notes (e.g., "High complaints may indicate robust processes") to guide interpretation.

These steps ensure IDR data drives insights while avoiding consumer confusion, market distortion, and the chilling effect of firm naming, supporting ASIC's transparency aims effectively.

Question E1Q2: Are there any reasons why these data elements should not be published?

Proposal Summary (Page 30, Proposal E1): ASIC proposes publishing IDR data elements in Tables 8 to 10, including financial firm details (e.g., name, licence number, firm type), complainant demographics (e.g., type, gender, age, postcode), and complaint information (e.g., number of complaints, resolution time, outcomes, monetary remedy) for 2023-24 and 2024-25. Most will be at firm and industry levels, except the complaint unique identifier and free-text fields, with some elements (e.g., demographics) possibly aggregated for privacy (Page 29, Paragraphs 52-60).

Response: While many IDR data elements in Tables 8 to 10 are valuable for highlighting industry complaint trends, we strongly oppose publishing those that identify firms—specifically IDR-DE 1.1 (Financial firm name), IDR-DE 1.3 (Licence number), and IDR-DE 1.2 (Financial firm type) when tied to individual firms—as they risk significant harm to trust, accountability, and the financial ecosystem. These elements should not be published at the firm level due to their potential to mislead, erode confidence, and distort markets. Sector-level, anonymised data would deliver transparency without these negative impacts.

Firm identifiers lack context, making high complaint numbers (IDR-DE 3.1) or resolution times (IDR-DE 3.7) appear as failures when they may reflect robust processes (Page 11, B3(b)(i)). This invites misinterpretation, especially when minor issues are equated with serious ones, undermining ASIC’s trust-building goal (Page 6, Paragraph 3). Public shaming risks data being weaponised by competitors or media, eroding consumer confidence further.

Accountability is already assured through ASIC’s direct access to IDR data for regulatory action (Page 15, Paragraph 40), with no evidence that naming firms adds value. Firm-level benchmarking is flawed, as differing complaint systems produce incomparable results, misleading users when linked to names. The ecosystem suffers if firms discourage complaints to avoid scrutiny, reducing data quality, or if smaller firms face unfair client loss, limiting choice.

Non-identifying elements—like IDR-DE 3.9 (Product or service), IDR-DE 3.10 (Complaint issue), or IDR-DE 3.11 (Complaint outcome)—are suitable for sector-level publication to inform stakeholders without harm. Excluding firm identifiers ensures data supports insights, not confusion or reputational damage, avoiding market distortion, consumer mistrust, and the chilling effect of naming firms. ASIC should aggregate all elements by industry or category to align with its transparency aims effectively.

Question E1Q3: Are there any specific contextual statements that may help users to interpret the data elements?

Proposal Summary (Page 30, Proposal E1): ASIC proposes publishing IDR data elements in Tables 8 to 10, covering financial firm details (e.g., name, licence number, firm type), complainant demographics (e.g., type, gender, age, postcode), and complaint information (e.g., number of complaints, resolution time, outcomes, monetary remedy) for 2023-24 and 2024-25. E1Q3 seeks suggestions for contextual statements to aid interpretation, building on ASIC's plan for explanatory notes (e.g., high complaint volumes may reflect strong processes) (Page 11, Paragraph 25; Page 29, Paragraphs 52-60).

Response: We strongly support ASIC's plan to include contextual statements to clarify IDR data elements, as these are essential to help consumers, advisers, and firms interpret complaint trends accurately. However, contextual statements alone cannot mitigate the risks of publishing firm-identifying elements like IDR-DE 1.1 (Financial firm name), IDR-DE 1.3 (Licence number), and IDR-DE 1.2 (Financial firm type) when linked to specific firms. Naming firms undermines trust, accountability, and consumer outcomes, and we urge sector-level, anonymised data instead. We propose specific statements to enhance understanding of industry-wide data, ensuring alignment with ASIC's transparency goals without the harm of firm-level disclosure.

Naming firms risks misinterpretation by lacking context—high complaint numbers (IDR-DE 3.1) or longer resolution times (IDR-DE 3.7) might indicate a positive complaints culture, not failure, but the public often assumes otherwise (Page 11, B3(b)(i)). Minor issues get conflated with serious ones, eroding trust when competitors or media weaponise data to shame firms, countering ASIC's aim of building confidence (Page 6, Paragraph 3).

Accountability is already robust through ASIC's oversight of raw data for targeted action (Page 15, Paragraph 40), with no case for public naming. Firm-level benchmarking of elements like outcomes (IDR-DE 3.11) or remedies (IDR-DE 3.12) is flawed, as varied systems make comparisons unreliable. The ecosystem suffers if firms discourage complaints to avoid scrutiny, reducing data quality, or if smaller firms face unfair market loss, limiting choice.

To aid interpretation of sector-level IDR data, we suggest these contextual statements:

- **System Variation:** "Complaint numbers vary due to firms' unique processes, so industry aggregates provide the most reliable insights."
- **Issue Range:** "Complaints cover minor and significant issues—numbers alone don't indicate severity or firm quality."
- **Regulatory Oversight:** "ASIC ensures accountability using detailed data privately, making firm naming unnecessary."
- **Complaints Culture:** "High complaint volumes can reflect strong reporting systems, encouraging consumer feedback, not failure."

These statements, paired with elements like IDR-DE 3.9 (Product or service) or IDR-DE 3.10 (Complaint issue) at a sector level, would clarify trends, counter negative biases, and promote honest reporting. They align with ASIC's transparency aims while avoiding consumer confusion, market distortion, and the chilling effect of naming firms.