



Australian Government

Standard Business Reporting

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Snapshot

- SBR Board
- SBR Strategy 2016-2019
- eInvoicing
- Government Software Policy Consultation Forum

SBR Board

Key discussion points:

- SBR Strategy Paper
- ABR Program Savings Review
- eInvoicing
- Government Software Policy Consultation Forum

STANDARD BUSINESS REPORTING STRATEGIC ROADMAP 2016 – 2019

SBR ensures a common, discoverable understanding of the information exchanged between businesses and with government, and common ways of doing so.

SBR has a framework, capabilities and methods that any agency, software developer or business can pick up and apply



First there was XBRL and SBR taxonomies. As you know, we've moved away from just XBRL to expand our technology choices.

The new SBR Framework and Method uses open standards and expands the ways SBR can be applied.

Its features include:

- > Standardised methods
- > Interoperable data environment
- > A semantic knowledge repository (library)
- > Frameworks to support governance, service management and change

Business have said to us they want to know:

- > ***What info do I need to give you, and how do I do it?***
- > ***I've given you the info once, can you use it again?***
- > ***I have a system I use for business, can we connect?***

Our expanded goals respond to the above questions by:

1. Improving the discoverability and understanding of obligations
2. Improving the re-use and sharing of data
3. Using natural business systems and processes to collect data required for government use

eInvoicing





At the March 2016 ABSIA forum, the eInvoicing update covered:

- Formation of a COAG eInvoicing Adoption Working Group
- Formation of a Policy Working Group led by the Department of Finance
- Ministerial support for adoption by local governments
- Major interest from Government Agencies

eInvoicing – Quantitative Survey

800 SMEs surveyed by AMR. Some key findings:

- Over half (55%) of SMEs spend more than 10 hours per month processing invoices. 44% spend more than \$1,000 per month on invoicing; 21% spend over \$5,000
- The leading adoption drivers include faster processing and error reduction, software functionality, customer/supplier demand, and digital enablement
- 69% of medium sized organisations would transition to eInvoicing in response to customer adoption
- Business advisors, are most trusted source of information relied upon by small and medium sized organisations.

| | |
|---|--|
|  Early adopters 9% |  Followers 38% |
| Early Adopters are tech savvy. They know how to utilise technology to optimise their business, and this extends to the use of technologies like cloud computing and eInvoicing. | Followers spend a lot of time and money processing invoices. However, they are slower than early adopters to adopt new technologies, like eInvoicing, despite the potential for productivity savings. |
|  Laggards 33% |  Resisters 20% |
| While not at the forefront of technology adoption, Laggards are open to using technologies to run their business once proven. Due to small invoicing workloads, however, most have not considered eInvoicing. | Resisters are reluctant users of information technology. They have little interest in using technology to support their business processes, and their small invoicing workload means eInvoicing is not on their radar. |

eInvoicing – Economic Model

| | Current take-up | Baseline peak take-up rates in 3 years | Medium peak take-up rates in 7 years | High peak take-up rates in 7 years |
|----------------------------|-----------------|--|--------------------------------------|------------------------------------|
| Whole of economy use rates | 18% | 21% | 43% | 62% |

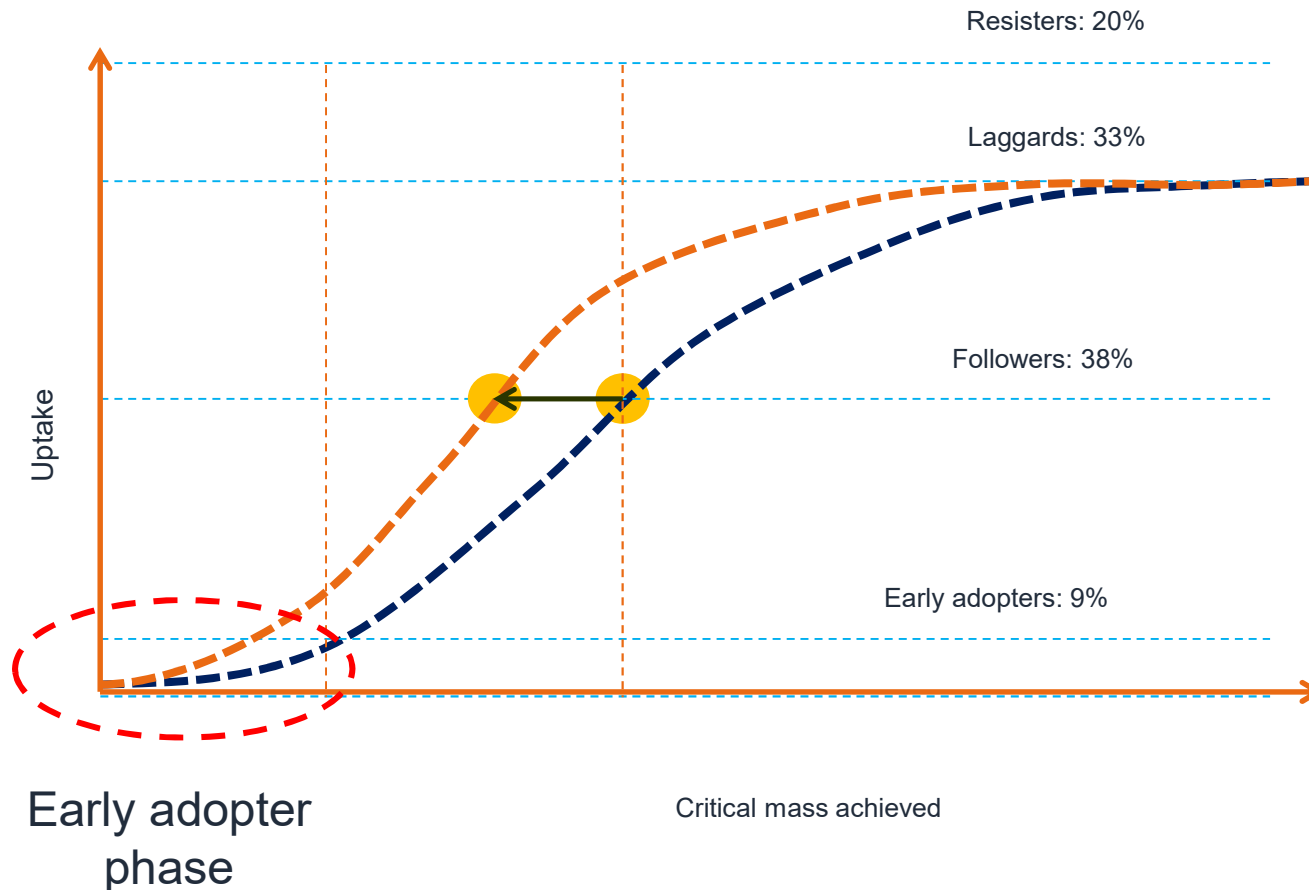
Whole of economy benefits and costs over 10 years (\$ billions)*

| Scenario | Benefits | Costs | Net Economic Benefit |
|----------|----------|-------|----------------------|
| Baseline | 4.3 | 0.4 | 3.9 |
| Medium | 17.7 | 1.9 | 15.8 |
| High | 32.1 | 3.5 | 28.6 |

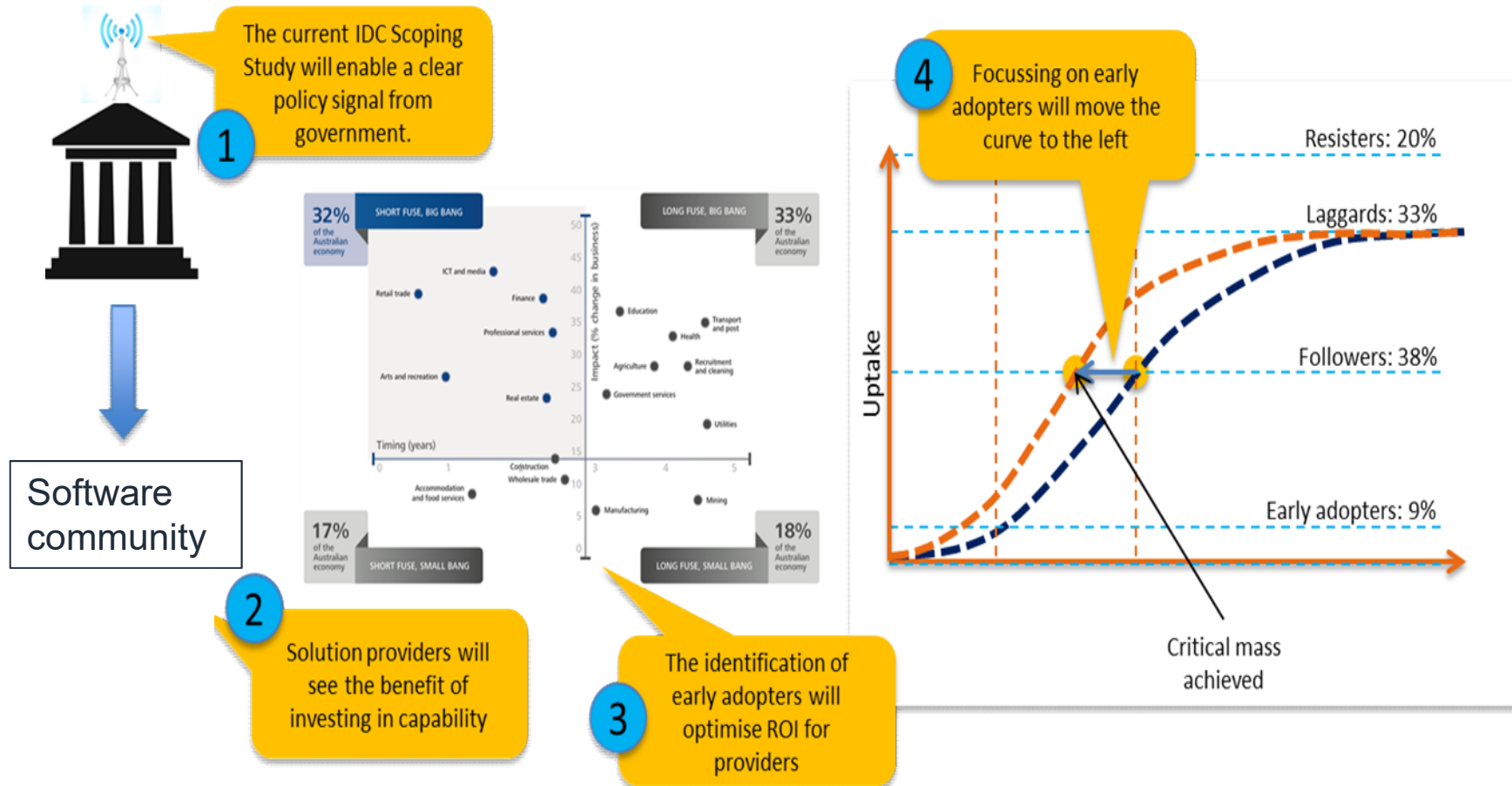
*Economic model is based on research undertaken by Deloitte Access Economics, commissioned by the ABR/BRR

eInvoicing – Early Adoption

Work is underway to reduce the time to achieve critical mass adoption by actively engaging influential organisations to be early adopters, and promoting the creation of suitable eInvoicing solutions



Towards rapid take-up



eInvoicing – Government

Federal 2016 Budget Announcement

- Government will undertake a study into the cost and benefits of eInvoicing
- The study will identify how the Government can unlock the potential for eInvoicing to improve government efficiency
- Broader adoption of eInvoicing with State and Territory and local governments will also be considered

Budget Measures 2016-17 - Part 2: Expense Measures

eInvoicing

| Expense (\$m) | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | - | - | - | - |
| Australian Taxation Office | - | - | - | - | - |
| Total — Expense | - | - | - | - | - |

The Government will undertake a detailed study into the costs and benefits of adopting electronic invoicing (eInvoicing) by the Australian Government. The study will help the Government identify the feasibility of eInvoicing and how the Government may best unlock the potential for eInvoicing to improve government efficiency.

Broader adoption of eInvoicing with State and Territory and local governments will be considered in the study.

The cost of implementing the measure will be met from within the existing resources of the Australian Taxation Office.

This measure builds on the Government's *Fintech Statement* released on 21 March 2016.

Embracing our new financial economy

Supporting innovation and competition in financial services through new business ideas and financial technologies – FinTech

eInvoicing

The Government will undertake a study into the costs and benefits of electronic invoicing (eInvoicing) by agencies. eInvoicing could improve efficiency by 60-80 per cent with annual savings to the economy of up to \$10 billion.

This furthers our ambition to explore FinTech solutions that reduce administrative burdens for businesses.

While eInvoicing Interoperability Framework is being finalised:

AWG

Establishing the Adoption Working Group



Identifying early adopters who will influence the market and drive network effects



Segmenting the market, understand challenges, develop value proposition for each



Determining how to overcome SMB adoption challenges



Actively working with candidate organisations to drive early adoption, overcome SMB challenges

Setting targets and tracking progress

Government Software Policy Consultation Forum

- Facilitate engagement between the software industry and governments to support the Government's policy for improved business efficiency. Looking to do this through red tape reduction and a digital Government, and to relate the reliance on software to deliver it to consumers
- First "Discovery" meeting to be held mid 2016
- Start "small" and look for where the greatest value can be added
- Includes representatives from Government agencies, as well as Tax and Payroll software (initially)
- ABSIA will be expanding on this through the Business Software Industry Innovation Network

Any questions from the Forum?

