

30 September 2026

Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Dear Commissioners Sterland and Jackson

The Business Council of Australia (BCA) welcomes the opportunity to provide a submission to the Productivity Commission's inquiry into improving non-financial business reporting requirements.

The BCA supports the key objective of the inquiry to improve the efficiency and value of non-financial business reporting requirements. This complements the BCA's calls for a 25 per cent red tape reduction target to ease the approximately \$160 billion red tape burden at the Commonwealth level.¹ It would match similar targets by the United Kingdom and European Union, and against which progress is being made.² The three major economy-wide reporting requirements identified by the PC represent a suitable starting point for the inquiry.

- **Payment times reporting** – this scheme remains unnecessarily onerous and one confusing, clunky and cluttered system was simply replaced with another. The underlying issues have been covered extensively by the BCA, with the more prescriptive approach to reporting being particularly burdensome.³ The two most effective, readily implementable and least disruptive solutions are a shift to annual reporting as well as better aligning reporting data with the recommendations of the Review of the Payment Times Reporting Scheme.
- **Sustainability and environmental reporting** – the current Treasury consultation that seeks to improve the efficiency of climate-related financial disclosures around assurance rules, guidance clarity, and the supply chain regulatory burden is welcome. Treasury estimated compliance costs for climate-related disclosures could average around \$1 million to \$1.3 million a year for reporting entities.⁴ This is broadly consistent with the experience of BCA member companies, with key drivers being the depth and breadth of disclosures covered as well as the consequences of the strict liability regime. The BCA will provide a copy of its submission upon completion.

¹ <https://www.aicd.com.au/content/dam/aicd/pdf/news-media/research/2025/economic-cost-of-regulatory-complexity-report.pdf>

² https://commission.europa.eu/law/law-making-process/better-regulation/simplification-implementation-and-enforcement/simplification_en

³ https://www.bca.com.au/wp-content/uploads/2024/11/Submission_Payment_Times_Reporting_Act_2020_primary_legislation_amendments_FINAL.pdf; <https://treasury.gov.au/sites/default/files/2024-09/c2024-537148-bca.pdf>; https://www.bca.com.au/wp-content/uploads/2025/10/BCA_Better_Regulation_2025_Report_WFB.pdf

⁴ <https://oia.pmc.gov.au/published-impact-analyses-and-reports/climate-risk-disclosure>

- There may also be benefits in allowing greater flexibility for entities to align other reporting requirements (e.g. National Greenhouse and Energy Reporting) to minimise duplicate data extraction, reconciliation, review and assurance across overlapping datasets and periods.

- **Workplace gender equality reporting** – this reporting framework has continued to mature, and recent changes have helped to streamline and standardise elements of reporting. There are further gains that could be made by greater reliance on data employers already provide to government, such as examples within Single Touch Payroll data.⁵ Genuine consideration should be given to use of existing data relative to the costs and benefits of bespoke data such that the compliance burden is eased for reporting entities while maintaining the benefits of disclosure.

Other reporting requirements that may warrant further consideration by the PC include those around public country-by-country reporting, notifiable data breaches, cyber security ransomware payment reporting, and the Register of Foreign Ownership of Australian Assets – among many others. For example, in the context of breach reporting, there can be inconsistency between regimes – which may overlap depending on the incident – across reporting timeframes, definitions, portals and the ability to amend previous reports.

The PC should consider proposed changes that can deliver genuine benefits, minimise disruption and compliance costs for reporting entities, and deliver simple, accessible and useful data. The issues and inefficiencies prevalent in existing reporting requirements can stem from inadequate consultation/impact analysis or insufficient time to comply. The initial consultation in developing or updating requirements is critical – getting it right from the start will lead to better regulation that better achieves the policy intent and can be more readily implemented. This can be less of an issue where reporting requirements apply to both the private and public sectors. High compliance costs can also arise from liability regimes, such as assurance requirements, director sign-off, or the penalty regime. For example, the proposed introduction of criminal penalties to the modern slavery regime will increase reporting, legal requirements and costs for large and small businesses – while potentially undermining its purpose.

There are steps that can be taken across all reporting regimes that could help reduce the compliance burden while ensuring the data remain valuable to users. We would welcome the opportunity to discuss the issues raised in this submission in further detail.

Yours sincerely

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⁵ https://www.pmc.gov.au/sites/default/files/resource/download/wgea-review-report_1.pdf