

30 September 2026

Productivity Commission
Locked Bag 2, Collins St East
Melbourne Vic 8003

Via online form.

Re: Business reporting requirements inquiry

To Whom It May Concern:

The Association of Digital Service Providers Australia New Zealand ✓DSPANZ★ welcomes the opportunity to contribute to the Productivity Commission's inquiry into business reporting requirements.

DSPANZ members provide the software and digital services that businesses use to manage their administrative and regulatory obligations across accounting, payroll, employment, tax and superannuation processes. Business software often provides the functionality that helps businesses collect, calculate or report information to the government to meet their tax, payroll and superannuation reporting requirements.

Our members are also required to meet reporting requirements themselves, such as data breach and cyber security incident reporting across various government obligations.

DSPANZ supports the Commission's objective of reducing unnecessary reporting burden. We recognise there is a significant opportunity to simplify reporting requirement through establishing common data standards and definitions, reusing trusted information and better aligning reporting with business processes.

While there are opportunities to leverage natural business systems to deliver simplified reporting experiences, the government should not make any reform decisions without first consulting with the Digital Service Providers ✓DSPs★ that operate these business software products and systems. This consultation step with DSPs will ultimately determine whether reforms can be successfully delivered in software and reduce the reporting burden for businesses.

Our feedback draws on members' practical experience translating government policy and requirements for tax, payroll and superannuation reporting into software used by Australian businesses.

DSPANZ recommends that any reform resulting from this inquiry:

1. Start with the business process and information available, rather than assuming required information already exists in business software.

2. Build reporting into natural business systems where it makes sense to do so, allowing compliance to occur as part of ordinary business activity.
3. Use consistent and reusable data standards so that equivalent information is defined and structured consistently across government.
4. Engage DSPs early in the design of reporting reforms to test assumptions about data, software and implementation before solutions are settled.

DSPANZ welcomes the opportunity to work with the Commission as it develops recommendations and to support the subsequent design of reforms that affect business software. Please contact Maggie Leese for more information.

Yours faithfully,

Chris Denney,
Interim CEO & Executive Director
DSPANZ.

About DSPANZ

Digital Service Providers Australia New Zealand is the gateway for the government into the dynamic, world-class business software sector in Australia and Aotearoa New Zealand. [Our members](#) range from large, well-established companies to new and nimble innovators working at the cutting edge of business software and app development on both sides of the Tasman.



1. Start with the information businesses actually hold

Any reforms created as a result of this inquiry should be informed by an understanding of how data is created, held and used across businesses and their software providers.

There are often assumptions that software holds information that would support a particular reporting process because it supports the underlying business functions. However, the information that software collects is often narrowed to the information necessary to support a customer's reporting and compliance obligations and supporting the overall software function and experience. Payroll software holds data needed to employ and pay workers and accounting software records financial and transactional data. Other business-related data may be captured in completely separate systems or not at all.

What might seem as a natural fit for delivering reform because it aligns with an existing regulatory reporting process may not be currently possible because businesses do not collect the necessary data in their software in the first place. Where the information may exist, it may not be suitable to support another reporting purpose because it was collected under a different definition or level of detail, or it would require additional information or judgement from the business.

For example, the Commission asks about opportunities to reduce replication between Workplace Gender Equality Agency ✓WGEA★ reporting and Single Touch Payroll ✓STP★. If the government explores adding data requirements to STP, it must be recognised that payroll software may not currently capture every piece of information needed for WGEA reporting.

If any reforms resulting from this inquiry involve business collecting information they did not previously need for a particular business process, they should be considered as new reporting requirements that are being delivered through an existing channel.

DSPANZ encourages the government to consult with DSPs before making any decisions to reform business reporting requirements to understand whether the supporting data exists and whether it could actually be delivered as a business software experience.

Recommendation 1 Before relying on existing business data or software, government should establish whether the required information exists, where it is held, whether it is suitable for the proposed reporting purpose and what would be required to use it.

For Feedback:

- Are there examples where government has assumed information was available within your software when it was not?
- Are there examples where information existed but its definition, detail or purpose meant it could not readily be reused?

2. Design reporting reform around natural business systems

Where there are opportunities to deliver reporting reform through business software, the government should design the reporting requirements around the business process or activity. Reporting requirements can be made easier where it aligns with the day to day activities that businesses undertake, making compliance a by-product of running a business.

For example, information may naturally arise when a business pays an employee, issues an invoice, makes a payment or updates its business details. If the government requires information for reporting to occur as part of these existing workflows rather than requiring businesses to undertake a completely separate process.

This is why DSPANZ considers it important for the government to understand the natural business system first before dedication on the most appropriate reporting solution. The government should first ask how the relevant business activity occurs, what information it naturally produces and where that information is held. It can then consider whether software is an appropriate delivery mechanism that genuinely simplifies reporting, or whether another approach would be more appropriate.

Recommendation 2 Where reporting reform may involve business software, government should design the approach around the business process and determine whether software integration will genuinely reduce reporting burden before selecting the delivery model.

For Feedback:

- Where has aligning reporting within an existing software supported business process worked well?
- Conversely, where has government sought to use software for information or activities that do not naturally form part of the process?

3. Make consistent data and standards the foundation for simplification

DSPANZ agrees with the Commission's assessment that addressing inconsistent definitions, classifications and reporting fields across reporting requirements is an important opportunity for reform.

Currently, if two government agencies both ask a business to report information about its employees but each defines employees differently, the business and its software cannot easily reuse the same information for both reporting requirements.

DSPs themselves are required to meet a number of data breach and cyber incident reporting obligations depending on the government bodies they interact with. When a DSP is responding to an incident they are required to report substantially the same information but

in different formats to suit the unique requirements of each government body. These inconsistencies divert resources away from containment and recovery during an active incident.

The government should consider how to implement common definitions, identifiers, data structures and standards across regulatory reporting requirements, particularly by focusing on categories such as tax, financial and employment reporting. Not only would this approach help reduce the compliance burden for businesses, it would help simplify how DSPs implement different reporting requirements and ultimately improve data quality.

Consistent reporting standards then provide the foundation for a “tell us once” approach, enabling businesses to provide information once rather than repeatedly reporting it to different parts of government. The tell us once principle could also work in both directions by making some of the information that government already holds about businesses available to software allowing it to be checked or pre-filled as part of a reporting workflow.

DSPs will be a key consultation partner as the government looks to harmonise reporting obligations. DSPs can provide the technical expertise needed to test whether proposed definitions and structures correspond with the information generated through real business processes and whether they can be implemented consistently across different products.

Recommendation 3 Government should progressively harmonise common business reporting definitions and data structures, reuse existing standards where appropriate, and develop standards affecting business software in consultation with DSPs.

For Feedback:

- What are the strongest examples of government reporting requirements requesting the same or similar information using different definitions, classifications or reporting periods?
- Are there existing standards or reporting infrastructure government should reuse?

4. Consider implementation early

Early engagement with DSPs on any reform to business reporting requirements is essential to understanding whether they can be delivered through software and will ultimately reduce the reporting burden. This engagement will assist the government in selecting an approach that delivers the intended reduction in reporting burden without creating unnecessary new costs or complexity.

Where reform can be delivered through software, DSPs will need to implement these changes and support their customers to transition to new reporting processes. The government must consider the time required for implementation and transition and factor this into when reforms could reasonably commence.

Recommendation 4e Government should consider implementation and transition requirements early and engage DSPs before settling reforms that rely on business software, data standards or digital reporting infrastructure.

For Feedback

- What implementation lessons from previous reporting reforms should the Commission consider, particularly where earlier DSP engagement or reuse of existing capability could have reduced complexity?