

INQUIRY ON BUSINESS REPORTING REQUIREMENTS

Consultation Submission

September 2026

An investor initiative in partnership with
UNEP Finance Initiative and UN Global Compact



About this consultation

The Australian Government has asked the Productivity Commission to inquire into opportunities to improve the efficiency and value of non-financial business reporting requirements. The Commission is [seeking evidence](#) on significant regulatory pain points and where reporting objectives could be achieved more efficiently. Its call for submissions considers, among other issues, how reported information is used, interactions and inconsistencies across reporting regimes, and opportunities to reduce duplication and improve data reuse. Initial submissions close on 30 September 2026.

The PRI is the leading organisation in advancing responsible investment globally. Set up with United Nations' support, our unique community contributes to stable financial markets and a more prosperous world for all. We bring together signatories, amplify their voices and provide resources and guidance for complex sustainability challenges. The six Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

The PRI develops policy analysis and recommendations based on signatory views and evidence-based policy research. The PRI welcomes the opportunity to respond to the Productivity Commission's call for submissions on business reporting requirements, focusing particularly on the use and value of reported information and opportunities to improve reporting efficiency across the reporting system.

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To inform this paper, the following group has been consulted in addition to broader signatory and stakeholder outreach: Australia Regional Policy Reference Group

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Summary

The PRI supports the Commission's objective of improving the efficiency and value of non-financial business reporting requirements, and of better balancing their costs and benefits. Our central point is that reporting efficiency should be judged across the whole system: removing information that users rely on can shift costs rather than save them, while better design, reuse and well-sequenced change can often reduce costs without losing value. This submission primarily addresses Information Request 2, concerning the use and value of reported information, and Information Requests 5 and 6, concerning interactions between reporting requirements and opportunities to reduce duplication and improve data reuse.

Recommendations

The PRI recommends that the Commission:

1. **Assess total costs and benefits across the reporting system**, including the costs users incur to find, process and combine information – not only costs at the point of reporting.
2. **Actively seek evidence from users of reported information**, including evidence about what users would do, what costs they would incur, and what would be lost if particular information ceased to be collected or published.
3. Where user value is plausible but evidence is incomplete, **preserve continuity where the cost of doing so is low relative to the cost of losing or rebuilding the data**, while simplifying or removing requirements where clear evidence shows information is little used relative to its cost.
4. Where information has identifiable or plausible use, **prioritise alignment, reuse and accessibility before reducing collection**. Align definitions across domestic regimes and, where consistent with domestic objectives, with international standards used by global investors. Make it easier to map entities across reporting regimes, reuse identical data across regulators and publish information in structured digital form.

1. Assess reporting efficiency across the reporting system

Compliance costs borne by reporting entities are an important part of any assessment of reporting requirements. They are not, however, the complete economic cost.

The terms of reference recognise that non-financial reporting can help direct investment towards businesses that are managing risks holistically.¹ For investors, that value is practical: where non-financial factors can affect investment outcomes, consistent information supports risk assessment, stewardship and portfolio decisions.

Where investors and other users rely on information for real decisions, removing a common, standardised source does not necessarily remove the cost. It may instead force investors and other users to recreate the same information through estimates, data vendors or bilateral requests, often with less comparability and reliability. **The Commission should therefore assess costs and benefits across the whole reporting system: what it costs to produce the information, how it is used, what users would do without it, and what value comes from being able to compare and combine it.**

¹ Productivity Commission, [Business reporting requirements: Terms of reference](#), 24 August 2026. The terms of reference state that visibility of non-financial matters enables investment to be directed towards businesses that align with the interests of stakeholders and are managing risks holistically.

The last point is particularly relevant to diversified investors. Information that may be of limited significance when considered for one reporting entity can become decision-useful when aggregated across a portfolio or market, including where it helps identify common exposures or risks that cannot readily be diversified. Whether information is material to one company does not fully capture its value when investors use it across a portfolio or market. The PRI's Investor Data Needs Framework notes that many responsible investment activities rely on company-level data that investors can combine for portfolio-level use, and identifies comparability across companies, sectors, geographies and time as an important feature of decision-useful data.²

The test should cut both ways. Where there is clear evidence that information is little used, users have readily available alternatives, or the same objective can be achieved at lower overall cost, reducing or removing the requirement may improve productivity. Where demand remains, the question is whether reform reduces total costs or simply shifts them onto users.

The same test applies to requirements the PRI does not use. Where we cannot identify investor use of a reporting requirement, this submission provides no argument for keeping it: any case for retention should rest on evidence from its intended users.

A balanced assessment needs evidence about who uses information and what would happen without it, rather than assuming either that an existing collection must be retained or that an absence of evidence from one class of users establishes low value.

2. Actively seek user-side evidence

Consultations on reporting burden are likely to receive more detailed evidence about costs than benefits.

Businesses can readily identify staff time, systems and assurance costs, and have a clear incentive to document them. User benefits are often more dispersed: reported information can reduce information-gathering costs, improve comparability and support better decisions, with some benefits becoming apparent only when data is combined across companies or over time. No single user necessarily has the same incentive to quantify that total value.

Timing matters too. Some user benefits depend on comparability over time, or on broad coverage across reporters, and cannot be fully seen in the first reporting cycle. For newer reporting requirements, implementation costs may therefore be visible before the full value of a comparable data series can be assessed.

For these reasons, the amount of evidence submitted on costs and benefits should not be taken, by itself, as showing that costs outweigh benefits.

The PRI recommends that the Commission actively seek evidence from users of reported information, including investors across different mandates and asset classes, to capture the breadth of data needs. It should not assume that information has low value simply because users have not submitted evidence. Evidence of user value should show which decision or process the information supports, not just whether users would like it to be available. The Commission could ask users a simple question: if this information stopped being collected or published, what would you do instead, what would that cost, and what would be lost?

The UK has already done this. As part of its review of non-financial reporting, the UK Department for Business and Trade commissioned research combining investor surveys, interviews and asset-manager consultations to assess how existing requirements were used and valued. The research found greater demand for

² Principles for Responsible Investment, [The PRI's Investor Data Needs Framework](#), 20 June 2023.

improvements in assurance and comparability than for a greater volume of ESG information.³ This suggests that improving the quality and usability of existing information can matter more to users than simply increasing the volume of reporting.

3. Preserve continuity where evidence is incomplete

Where there is clear evidence that information is little used relative to its cost, reporting requirements should be simplified or removed. Where use is plausible but not yet well evidenced, it can make sense to first pursue efficiencies that preserve an established data series – for example by harmonising definitions, reusing information already supplied to government or improving digital access.

The terms of reference ask the Commission to consider costs created by changing established reporting arrangements. For users, one such cost is a break in a data series that cannot later be recovered. This matters most where keeping the collection is relatively cheap, but rebuilding it or losing continuity would be costly. It does not mean existing collections should be preserved where their costs outweigh their value.

Changes to reporting specifications can also impose costs on preparers, who may need to update systems and processes and may lose the ability to check current reporting against prior periods. Where reform is justified, it should be sequenced to minimise avoidable transition costs and preserve comparability where possible.

Reporting to the Workplace Gender Equality Agency (WGEA) shows how these points play out in practice. WGEA data is a useful resource for investors: the Australian Council of Superannuation Investors has stated that institutional investors require robust and up-to-date gender-equality data for investment decisions, and that access to aggregated group-level information supports investment stewardship.⁴

Publication design can also affect the usefulness of information already collected. In March 2025, WGEA published results for 7,800 individual employers and 1,700 corporate groups, allowing workers and investors, among other users, to analyse gender pay gaps at both levels for the first time.⁵ WGEA has also documented the converse: changes in publication basis have limited some year-on-year comparisons. This illustrates that the economic value of a reporting system depends not only on what is collected, but also on how consistently and accessibly it is made available.

Consistent data can also become useful in ways that were hard to predict when collection began. Annual WGEA reporting has created a longitudinal dataset extending back to 2013–14. The 2025 BCEC–WGEA analysis draws on a dataset covering more than 5.1 million employees and uses that accumulated information to examine relationships between workplace practices and business outcomes.⁶ This does not

³ Department for Business and Trade, [Value of Non-Financial Reporting: Policy summary](#), prepared by eftec and Research in Finance, September 2024 (published October 2024). The research combined a survey of 1,699 investors with a stated-preference survey, interviews and asset-manager consultations.

⁴ Australian Council of Superannuation Investors, [Setting Gender Equality Targets – Submission](#), January 2025. ACSI states that institutional investors require robust and up-to-date gender equality data to inform investment decisions, and that access to aggregated group-level data supports investment stewardship.

⁵ Workplace Gender Equality Agency, [WGEA publishes new employer gender pay gaps](#), 4 March 2025; and [Employer Gender Pay Gaps Report 2023–24](#), March 2025. WGEA published results for 7,800 individual employers and 1,700 corporate groups for the first time, while changes in the scope and basis of publication affected some year-on-year comparability.

⁶ Bankwest Curtin Economics Centre and Workplace Gender Equality Agency, [Gender Equity Insights 2025: The Power of Balance](#), October 2025. The tenth report in the series draws on WGEA data covering more than 5.1 million workers.

mean every element of WGEA reporting should be preserved. It shows that a consistent data series can create additional value over time.

The PRI takes no position in this submission on the appropriate employee threshold or scope of entities required to report to WGEA. The example concerns the use, aggregation and dissemination of information once collected.

4. Improve alignment, reuse and access to existing data

Improving reporting efficiency does not always require collecting less information. It can also mean asking for the same information fewer times, and making it easier to reuse.

In relation to Information Requests 5 and 6 on interactions between reporting requirements, the PRI supports better alignment, reuse and access to data collected across different agencies and frameworks.

Different reporting regimes sometimes define the same business group differently. For WGEA purposes, a corporate group becomes a relevant employer where the combined employee count across the parent and subsidiaries reaches 100; NGER obligations are organised around a controlling corporation and its group members; while AASB S2 generally uses the same reporting entity as the related financial statements, subject to the flexibility permitted by Australian law.⁷ Those differences may each serve legitimate purposes, but they make it important to map entities clearly across reporting regimes.

Where reporting requirements overlap, government should distinguish genuine duplication from information collected for different purposes, and reuse identical data wherever possible. Alignment of definitions and entity identifiers, regulator-to-regulator reuse and structured digital publication can in some cases increase user value while reducing reporting burden.

The same logic applies to information requested through value chains: common definitions, reusable data and proportionate boundaries on requests can reduce the cost of repeated bilateral information gathering.

Global investors also benefit when information can be compared across markets. Where Australian definitions, reporting structures and digital formats can align with widely used international standards without undermining domestic objectives, investors spend less time reconciling different systems and can compare companies more consistently.

The Commission has already applied similar thinking to digital reporting. In *Harnessing data and digital technology*, it recommended designing mandatory digital financial reporting so it could later extend to other reports, “most notably” sustainability reporting.⁸ That work focused on making information already collected easier to access and reuse. This inquiry can apply the same principle when considering whether existing reporting can be made more efficient before information is removed.

⁷ Workplace Gender Equality Agency, [Corporate structures](#); Clean Energy Regulator, [Assess your obligations – National Greenhouse and Energy Reporting Scheme](#); Australian Accounting Standards Board, [AASB S2 Frequently Asked Questions – Technical FAQs](#), ‘Reporting entity’.

⁸ Productivity Commission, [Harnessing data and digital technology](#), Inquiry Report no. 111, Canberra, 2025, pp. 98–99. The Commission recommended that the legislative framework for mandatory digital financial reporting accommodate later expansion to other types of reporting, “most notably, sustainability reporting”.

The PRI has experience of contributing to public policy on sustainable finance and responsible investment across multiple markets and stands ready to support the Commission's work on improving the efficiency and value of business reporting.

Please send any questions or comments to policy@unpri.org.

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