Australian Government
Productivity Commission

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Business reporting requirements

Interim report

Overview



This is an interim report prepared for further public consultation and input. The PC will finalise its report after these processes have taken place.

November 2026

Acknowledgment of Country

The Productivity Commission acknowledges the Traditional Owners of Country throughout Australia and their continuing connection to land, waters and community. We pay our respects to their Cultures, Country and Elders past and present.

About us

The PC is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its role, expressed most simply, is to help governments make better policies, in the long-term interest of the Australian community.

The PC's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by concern for the wellbeing of the community as a whole.

For more information visit our website: www.pc.gov.au.

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Opportunity for comment

The Productivity Commission thanks all participants for their contribution to this inquiry and now seeks additional input for the final report.

You are invited to examine this interim report and comment on it by written submissions to the PC, preferably in electronic format, by **18 December 2026**.

Further information on how to provide a submission is included on the website: www.pc.gov.au/inquiries-and-research/business-reporting/.

The PC will prepare the final report after submissions have been received and it will hold further discussions with participants.

Commissioners

For the purposes of this inquiry and interim report, in accordance with section 40 of the *Productivity Commission Act 1998,* the powers of the PC have been exercised by:

- Angela Jackson, Commissioner
- Barry Sterland, Commissioner

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Overview

Key points

- **The regulatory burden on Australian businesses has grown significantly over the last decade. When designed badly, regulations prevent businesses from innovating and growing, without mitigating the problems they are intended to address. But even well-designed regulations add to the cumulative burden on businesses, which can create a drag on productivity.**

- **This inquiry is about non-financial business reporting requirements, which compel businesses to disclose specified information about their operations and performance.**
  - Reporting requirements are intended to support informed decision-making by investors and consumers, and to influence businesses to take actions to further policy goals.

- **Reporting requirements create costs. Regulated businesses must dedicate resources to compliance that might otherwise be put to productive use elsewhere. Reporting requirements are best when they create significant material benefits and avoid unnecessary costs.**

- **It does not appear that the Payment Times Reporting Scheme (PTRS) is delivering sufficient benefits to justify its retention. The PTRS should be repealed unless its net benefits can be demonstrated.**
  - Payment outcomes have improved only modestly since the PTRS began, and there is little evidence that the scheme is creating strong reputational incentives to improve payment practices.
  - Where policy intervention is warranted, targeted measures are likely to be better suited to addressing specific drivers of poor payment outcomes than broad reporting requirements.
  - The Productivity Commission is seeking evidence on the PTRS's benefits and costs, and the possible consequences of its repeal. The PC is also seeking evidence on other measures that could more directly address demonstrated payment problems and impose a lower burden on business.

- **There is a sound economic rationale for climate risk disclosure, but it should be focused on providing information most relevant to decision-making and streamlined to reduce costs for businesses.**
  - Sustainability reporting has commenced for the largest entities (Group 1 and 2), but the smallest class of entities (Group 3) should not be brought into reporting as scheduled in 2027.
  - The outcomes from the current reform process should be bedded down before any consideration of whether, and on what basis, Group 3 entities should be brought into the regime.
  - Costs for existing reporters should be reduced through focusing and streamlining the reporting of Scope 3 emissions and aligning sustainability reporting with the National Greenhouse and Energy Reporting Scheme.

- **Workplace gender equality reporting is valuable but can be made more efficient.**
  - The reporting requirements should be relaxed for highly gender-equal organisations through reducing the frequency of data collection and removing the requirement to demonstrate progress against gender equality targets.
  - Costs for all reporting organisations could be reduced through the use of Single Touch Payroll data, but the trade-offs require careful consideration.

The regulatory burden on Australian businesses has grown over the last decade. Businesses report spending more on compliance, and Australia's ranking on international regulation indices has fallen.[1]

When designed badly, regulations prevent businesses from innovating and growing, without mitigating the problems they are intended to address. But even well-designed regulations add to the cumulative burden on businesses, which can create a drag on productivity.

In this inquiry, the Government has asked us to find ways of reducing the burden of a particular type of regulation: non-financial business reporting requirements.[2] Our task is to identify regulatory 'pain points' and develop recommendations to make reporting more valuable and efficient.[3]

The mandatory disclosure of information is intended to create transparency around businesses' practices and the risks they face. The goal is often to increase accountability and thereby drive improvements in firm performance, as well as to create pressure for businesses to take actions that concretely address policy goals. Reporting can also make investors better informed and thus better able to make optimal investment decisions.

However, reporting requirements also create costs. Regulated businesses need to dedicate resources to compliance: they must take time to understand their obligations, establish reporting systems, collect and maintain information, prepare and submit reports, and demonstrate their compliance to regulators. These costs are incurred by all reporting businesses, regardless of how they perform in the area they are reporting on. Some reporting policies require regulated businesses to collect data from their suppliers, subjecting these suppliers to sometimes onerous information requests.

Reporting is often more costly than is anticipated when new requirements are put in place. In many cases, compliance costs appear to have been significantly underestimated by policymakers. More importantly for this inquiry, when multiple requirements accumulate, they can create costs that are greater than the sum of each individual requirement's cost. This is because no one requirement on its own is likely to cause a business to choose not to expand, invest, or diversify. But when many requirements are in place, this may well occur.

Significant changes are required to reduce this cumulative burden. This interim report focuses on 3 reporting regimes with an economy-wide footprint: payment times reporting, sustainability reporting and workplace gender equality reporting. A package of reforms across these areas has the potential to shift the dial on reducing Australia's regulatory burden, both in the aggregate and for businesses of various sizes and in a range of sectors.

We have drawn on implementation experience and submissions from participants to look for opportunities to significantly reduce costs while still achieving important policy outcomes. Our approach is outlined in table 1. In our final report, we will consider the non-financial reporting landscape as a whole. We will also consider the findings of the White Tape Review currently being undertaken by the Australian Small Business and Family Enterprise Ombudsman.

[1] We discussed these issues in chapter 2 of our inquiry on *Creating a more dynamic and resilient economy*.

[2] This inquiry into business reporting requirements was itself a recommendation of the *Creating a more dynamic and resilient economy* inquiry.

[3] Separately, the Australian Government has asked us to investigate regulatory barriers to business dynamism.

Table 1 – Questions we asked in assessing reporting policies

	Is the policy targeting a genuine problem or risk?	What is the theory of change, and is the policy working as intended?	Are the policy's costs excessive or unnecessary?
Payment times reporting	• Are there material inefficiencies or inequalities created by large businesses' payment practices in relation to small businesses? • To what extent are any issues due to a lack of information?	• Is the published information being used by small business suppliers to choose between customers? • Is the published information creating reputational pressures for large businesses? • Are reporting entities improving their practices?	• Are the benefits of the scheme commensurate with its costs? • Would less frequent reporting better balance costs and benefits? • Could the problems be addressed more effectively via alternative measures?
Sustainability reporting	• How material are climate risks for businesses? • To what extent do investors need to be better informed of these risks?	• Will sustainability reporting materially assist investors to efficiently price in the expected impacts of climate change and the energy transition?	• Could the information be collected in a more efficient way? • Could high-cost, low-materiality items be excluded from some reporting?
Workplace gender equality reporting	• Is there material gender inequality in Australian workplaces? • To what extent is this due to a lack of transparency around performance?	• Is the published information creating pressure within organisations to improve gender equality? • Is the published information creating reputational pressure? • Are reporting entities improving gender equality?	• Could the information be collected in a more efficient way? • Could high-cost, low-benefit items be excluded from the requirement? • Could the regime be made more risk-based?

Reporting requirements are a popular form of regulation because, at face value, they create few significant risks. They can be a default response for policymakers when an issue or problem has emerged and more direct forms of regulation appear disproportionate. However, as with all regulatory interventions, the costs and benefits of reporting requirements must be carefully evaluated. Given the emerging evidence of a cumulative burden, more scrutiny of policies' expected benefits and costs is needed, alongside consideration of phasing and design features that avoid common problems. The PC's preliminary observations on these issues are set out in the last section of this Overview and will be considered more fully in the final report.

The PC's interim position is that the Payment Times Reporting Scheme should be repealed unless its benefits can be demonstrated

The Payment Times Reporting Scheme (PTRS) was established in 2021. The scheme is intended to encourage improvements in payment outcomes for small business suppliers through greater transparency about the payment practices of large businesses. Extended payment terms and times can create costs for small businesses via cash flow pressures. Payment practices differ across industries and commercial relationships, and longer payment terms do not necessarily indicate inappropriate conduct. Nonetheless, some payment practices can cause genuine harm to small business suppliers, with potentially broader economic consequences, and may warrant a response.

Under the PTRS, large businesses – those with more than $100 million in consolidated annual revenue – are required to collect information about their payment times, terms and practices and disclose this to the Payment Times Reporting Regulator. The information is then made public to create reputational pressure for businesses to improve payment practices.

The PTRS imposes compliance costs on reporting entities. These entities are required to identify in-scope suppliers and transactions, extract and validate payment data, apply prescribed calculations, obtain internal approval, submit reports twice a year, retain records, and respond to compliance activity.

On the evidence currently available to the PC, there is not a sufficient case for retaining these reporting requirements. Payment outcomes have improved only modestly since the PTRS began, and it is unclear whether even these modest changes are attributable to the scheme. There is no clear evidence that the publication and use of reported data, and the prospect of being identified as a 'fast' or 'slow' payer, are creating reputational incentives for changes in behaviour.

On balance, the PC's preliminary view is that the PTRS should be repealed. This reflects the private and public administrative costs imposed by the mandatory reporting scheme and the limited evidence currently available that it is producing commensurate benefits.

There are, however, important evidence gaps that the PC will consider before making a final recommendation. In particular, the PC is seeking evidence on changes in large businesses' behaviour in response to the PTRS, whether twice-yearly reporting contributes to this, any benefits generated by the publication of payment times data, and any adverse consequences that could arise from removing reporting obligations.

Where harmful payment practices are demonstrated, targeted measures are likely to be more effective and efficient than broad reporting requirements. These include protections against unfair trading practices and initiatives to reduce payment frictions, such as eInvoicing. The PC is interested in participants' views on the specific problems that warrant policy intervention and whether more targeted measures could address them at a lower cost.

Sustainability reporting requirements need to be better targeted

Sustainability reporting requirements are intended to make investors better informed about businesses' climate risks. Both climate impacts and transition risks are becoming increasingly material. Climate change poses compounding and cascading risks to economic activity, while a disorderly energy transition would itself have negative effects.[4]

Ideally, investors would have the information they need to take such risks into account, and the market would efficiently price in the expected impacts of climate change and the energy transition. However, investors typically have less information about firms' risks than managers do, so it can be difficult for them to make informed investment decisions. This can result in mispriced assets and capital being allocated inefficiently, with investment higher or lower than optimal – particularly given that climate risk is an emerging and evolving area of practice, and businesses' levels of maturity in dealing with it are inconsistent. A lack of information about climate risks is not just a problem for 'climate conscious' investors – anyone who owns or is considering an investment in a company exposed to such risks is potentially affected.

To address this information asymmetry, companies are required under Australia's sustainability reporting regime to disclose climate risks and opportunities that might reasonably be expected to affect their future financial performance. Right now, the requirements apply only to the largest companies (so-called Group 1 and Group 2 entities), though an additional category of medium-sized firms (Group 3) is scheduled to be brought in from 2027. The reporting regime is intended to enable investors to compare climate risks and opportunities across the economy and, like many financial reporting requirements, may contribute to a more efficient allocation of capital.

It is too early to tell whether sustainability requirements are having this effect. Nonetheless, the underlying case for the policy is sound: without climate risk disclosure, investment decisions are likely to be less well-informed, leading to a less efficient allocation of capital across the economy.

However, sustainability reporting also creates costs – and these appear to be greater than initially expected. Several participants told the PC that companies are spending much more on complying with reporting requirements than initially anticipated by policymakers.

The Australian Government is taking steps to reduce the costs of sustainability reporting. In the 2026–27 Budget, the Australian Government announced that it would lift the turnover thresholds for Group 3 entities from $50 million to $100 million, so that fewer companies would be captured by mandatory reporting. Treasury has conducted consultation on policy options to clarify key concepts in reporting requirements, adjust assurance settings and set clearer boundaries on information requests on suppliers, as such requests can create a burden for smaller firms across the economy. These are positive developments, particularly if they result in concrete steps to materially reduce the cumulative reporting burden while retaining the benefits of the sustainability reporting regime.

The PC's preliminary view is that the Australian Government should not extend reporting requirements to Group 3 firms as scheduled for 2027. At this stage, there is a risk that the costs will be disproportionate to the benefits of greater enterprise-level information on this group. In particular, the experience to date suggests that Group 3 entities with no material climate risks will face disproportionate costs when seeking exemptions from disclosure requirements. The outcomes from the current reform process should be

[4] According to Treasury modelling presented in the 2026 *Intergenerational Report*, a disorderly approach to the transition would result in GDP being cumulatively $2 trillion smaller by 2050 relative to orderly transition scenarios.

bedded down before any consideration of whether, and on what basis, Group 3 firms should be brought into the regime. We are also seeking information about whether other categories of reporting entities should be included – for example, subsidiaries and not-for-profits.

The Australian Government should also reduce unnecessary costs imposed on businesses by the requirement to report on Scope 3 emissions (that is, emissions caused indirectly across companies' value chains). The government is considering reforms to improve reporting guidance and information standardisation, and to reduce duplicative information requests. These reforms should better target Scope 3 reporting towards information on material commercial risks while reducing unnecessary reporting burden. But there may be scope to go further. Entities need clearer expectations about the measures they must take to comply with requirements. Compliance uncertainty may lead entities to seek unnecessary information from suppliers, or a degree of precision for sources of Scope 3 emissions that may not ultimately pose a material risk. Regulators should make clear that reporting entities are expected to use reasonable estimates and existing data where these are adequate, and that direct requests to suppliers or detailed line-by-line estimation should be limited to where they are necessary and proportionate.

Further efforts should also be made to align sustainability reporting with the National Greenhouse and Energy Reporting (NGER) Scheme. The Australian Government should improve interoperability between the 2 schemes, so that emissions information already prepared under the NGER Scheme can be reused without modification. The NGER Scheme does not include all of the information required by sustainability reporting, but the aim should be to eliminate unproductive duplication of compliance efforts where possible. For example, relevant regulators and agencies should develop an accepted approach for using financial year NGER data for different annual sustainability reporting periods and allow NGER assurance work to suffice for sustainability reporting.

Workplace gender equality reporting can be made more efficient

Workplace gender equality reporting aims to motivate improvements in gender equality in Australian workplaces. Inequality persists despite long-standing laws against discrimination and unequal pay. Women continue to earn less than men and remain underrepresented in senior leadership roles.

Since 2013, organisations have been required to collect information relevant to gender equality, such as gender pay breakdowns, and report this to the Workplace Gender Equality Agency (WGEA). Data on organisations' performance has been made public by WGEA since 2023–24, with the intent of creating reputational and internal staff pressure to improve gender equality. Under new requirements, larger organisations must also maintain or improve their performance against 3 gender equality targets of their choosing.

The gender pay gap has declined steadily since 2014 – a trend which has accelerated in recent years. This coincides with the introduction and enhancement of reporting. However, it is unclear to what extent WGEA reporting is contributing to improvements, as the decline corresponds with other relevant trends such as an increase in women's participation rate relative to men's.

Nonetheless, there is reason to believe that WGEA reporting is driving genuine behavioural change among businesses and thereby contributing to the policy's intended outcomes. A large number of participants – including many reporting employers – have indicated that reporting is raising awareness of workplace inequalities and creating a sense of accountability for achieving better outcomes. Moreover, there is research showing that Australian companies that report a higher gender pay gap

experience falls in share prices after the release of WGEA reports, which suggests that the reports influence investment decisions.

However, there is scope to make gender equality reporting more efficient. While WGEA has undertaken work to reduce reporting complexity, further changes could make WGEA's approach more risk-based and reduce costs for employers while still achieving gender equity objectives.

To make its approach more risk-based, WGEA should relax requirements for highly gender-equal employers. Highly gender-equal employers should not have to demonstrate improvements against gender equality targets. The targets are harder for these employers to meet: they generally have less room to improve on numerical targets, such as their gender pay gap, and fewer 'action' targets (such as workplace policies) to address. Highly gender-equal employers should also not have to report as frequently to WGEA as other employers.

The PC is considering options to reduce costs for all reporting employers through the use of Single Touch Payroll (STP) reporting in place of some reporting to WGEA (namely, the 'Workplace Profile'). This involves trade-offs that should be weighed carefully. Unlike the Workplace Profile, STP does not include information about the number of hours that employees work, so gender pay gaps based on STP data cannot be adjusted for these differences. Reported gender pay gaps would generally increase because female employees typically work fewer hours than male employees, especially where employers promote flexible work. An option would be to change STP so that it collects data about the hours that employees work, though this would carry transition costs for employers and the Australian Government, and would need to be implemented carefully.

The PC is seeking participants' feedback on the options for replacing the Workplace Profile with existing or modified Single Touch Payroll data, and whether the cost savings would outweigh any loss of information or transition costs. We are also seeking feedback on other changes to data collection that could better balance the benefits and costs of reporting.

There are also steps that can be taken to help WGEA reporting deliver more value to more users, not just reduce costs. Currently, WGEA data is isolated from other administrative datasets, which reduces its value for research purposes. WGEA should work with the Australian Bureau of Statistics to link WGEA data on an enduring basis to Australia's major integrated data assets. Enabling these linkages would improve WGEA's and researchers' ability to understand the drivers of gender inequality in Australia's workplaces, as well as which policies can play a role in improving outcomes.

Greater care needs to be taken when considering new reporting requirements

Business reporting requirements have a valid place in the policy toolkit. They can improve investor information on business performance, drive better management practices and address broader policy objectives. However, Australia's reporting policies are failing to maximise net benefits. Some impose significant costs without clear benefits. Others are beneficial but generate excessive costs – creating duplication or targeting low-value information.

We have identified reform directions that can help address issues in the cases of payment times, sustainability and gender equality, and are seeking feedback on our ideas to inform the final report. As a package, the reform options we have proposed will materially relieve some of the cumulative burden that is affecting a wide range of Australian businesses and free up resources for other productive uses.

The broader takeaway from our findings is that policymakers need to be more rigorous in ensuring that new reporting requirements are properly scrutinised and, where they are warranted, implemented in such a way that they do not add unnecessarily to Australia's already high regulatory burden. In response to our call for submissions, several inquiry participants made practical, actionable suggestions that could help restrain and reduce the cumulative burden over time. These range from developing and applying whole-of-government regulatory principles, to common definitions and data standards, to more consistent use of post implementation reviews, and a number of other options.

Our final report will build the evidence base to support a better understanding of cumulative burden and propose specific actions to manage it.

Reform directions and findings

Payment times reporting



Interim finding 2.1
The links between payment times reporting and improved payment outcomes have not been demonstrated

The Payment Times Reporting Scheme has increased transparency through the publication of standardised information about reporting entities' payment practices. However, there is no clear evidence that this information is being used to create incentives or pressure, that it has changed reporting entities' behaviour or that the scheme has improved payment outcomes.



Interim finding 2.2
The additional burden of twice-yearly reporting has not been justified

The rationale for twice-yearly reporting is that more timely publication of payment information will strengthen transparency and incentives to improve payment practices. But the available evidence has not demonstrated that this frequency influences the payment practices of reporting entities or outcomes for small business suppliers. The additional burden imposed by twice-yearly reporting is not supported by a commensurate benefit.



Interim finding 2.3
Where policy intervention is warranted, targeted measures are likely better suited to addressing specific drivers of poor payment outcomes

Payment outcomes are influenced by a range of factors, including bargaining power, commercial practices, contractual arrangements, payment frictions and administrative processes. Where policy intervention is warranted, targeted measures that address the underlying cause of poor payment outcomes are likely to be better suited to addressing payment outcomes than economy-wide reporting obligations.

Information request 2.1

To inform the PC's assessment of whether the Payment Times Reporting Scheme (PTRS) should be retained, the PC is seeking quantitative evidence and specific examples of observed behaviours, decisions, outcomes and costs.

- Whether, and how, the PTRS has changed the payment practices, payment terms or payment performance of reporting entities.
- How published PTRS information is used by stakeholders, including examples where it has influenced decisions or behaviour.
- The benefits that would be lost, and any adverse consequences for small business suppliers that could arise, if payment-times reporting obligations were removed or reporting frequency was decreased from twice-yearly to annual reporting.
- The establishment, transition and ongoing compliance costs of the PTRS, including the costs that would be avoided if the scheme is repealed or changed from twice-yearly to annual reporting.
- The most significant causes of poor payment outcomes for small business suppliers, whether those causes warrant intervention, and the measures best suited to addressing them (including any measures at the state and territory level).

Reform direction 2.1
The Payment Times Reporting Scheme should be repealed unless its benefits can be demonstrated

The effectiveness of the Payment Times Reporting Scheme has not been demonstrated. The PC is seeking further evidence on the scheme's attributable benefits, the use and effects of published payment-times information, the costs imposed on reporting entities and government and the consequences of repeal. In the absence of evidence demonstrating benefits commensurate with these costs, the PC will recommend the repeal of the *Payment Times Reporting Act 2020* (Cth).

Sustainability reporting

Reform direction 3.1
Do not impose sustainability reporting requirements on Group 3 entities

Group 3 entities should not be subject to mandatory climate-related financial disclosures.

If sustainability reporting is extended to Group 3 entities, the Australian Government should first consider whether:

- the size thresholds appropriately identify entities whose disclosures are likely to be useful
- entities without material climate-related risks and opportunities could follow a substantially simpler reporting pathway
- the information and documentation needed to establish that risks are not material can be reduced without compromising the integrity of the regime.

Information request 3.1

The PC is seeking responses to the following questions.

- Who are the main users of sustainability reporting from private subsidiaries and not-for-profits?
- How might information from sustainability reporting from private subsidiaries and not-for-profits be used, and what effects has its availability had on stakeholders' decisions, activities or outcomes?

Interim finding 3.1
Scope 3 emissions reporting can impose costs on businesses, disproportionate to the goals of the policy, that are not themselves subject to mandatory sustainability reporting

Reporting entities may seek emissions information from suppliers to estimate their Scope 3 emissions. Although AASB S2 permits estimation and requires reporting entities to use reasonable and supportable information available without undue cost or effort, smaller suppliers can nevertheless receive differing and potentially burdensome sustainability information requests.

Reform direction 3.2
Streamline reporting of Scope 3 emissions

The Australian Government, working with relevant standard setters and regulators, should reduce unnecessary costs imposed on businesses supplying Scope 3 emissions information by promoting proportionate and standardised approaches to value-chain data collection.

This should include:

- changes to the reporting requirements so that reporting entities are expected to use estimates, secondary data or industry averages where adequate, rather than supplier-specific information
- clearer guidance about circumstances in which reporting entities can reasonably rely on estimates, secondary data or industry averages
- standardisation of common information requested from suppliers
- approaches that allow suppliers to calculate relevant information once and reuse it for multiple customers
- a proportionate focus on commercially material Scope 3 risks.

Information request 3.2

The PC is seeking responses to the following questions.

- What are the costs of estimating Scope 3 emissions or establishing non-materiality of Scope 3 emissions if an entity relies on estimates rather than direct measurement?
- How is Scope 3 emissions information used, and how does its usefulness vary depending on the measurement approach adopted (including the use of direct measurement versus estimation, and the extent of alignment with international reporting standards)?

Interim finding 3.2
There are overlapping reporting requirements between sustainability reporting and NGER that create avoidable compliance costs.

Sustainability reporting and NGER serve different purposes, but overlapping requirements can create avoidable compliance costs where businesses must transform, reconcile or obtain further assurance over emissions information they have already produced.

Reform direction 3.3
Improve interoperability between NGER and sustainability reporting

The Australian Government should improve interoperability between NGER and sustainability reporting so that emissions information already prepared under NGER can be reused for sustainability reporting wherever this is consistent with the objectives of both regimes.

Treasury, the Clean Energy Regulator, ASIC and the AASB should identify opportunities to:

- align definitions, measurement requirements and reporting periods where there is no material policy reason for them to differ
- develop an accepted approach for bridging NGER data to different sustainability-reporting periods, reducing the need for businesses to recalculate and subsequently reconcile emissions information
- identify NGER data, methodologies and supporting records that can be used directly for sustainability reporting, and provide clear guidance mapping NGER requirements to AASB S2
- develop standard approaches for reconciling differences in organisational boundaries and coverage between NGER and sustainability reporting
- minimise unnecessary reconciliation or re-aggregation
- establish clear, efficient and appropriately safeguarded pathways for sharing and reusing NGER information for sustainability reporting, including by identifying where existing disclosure powers can be used more effectively, addressing administrative practices, uncertainty or risk aversion that unnecessarily impede sharing, and removing legislative restrictions where existing powers do not permit appropriate reuse
- facilitate reliance on existing NGER assurance work where its scope and quality provide sufficient evidence for sustainability-reporting assurance.

Workplace gender equality reporting

Information request 4.1

The PC is considering recommending that Single Touch Payroll (STP) and other administrative data be used to streamline the WGEA reporting process in line with a 'tell us once' approach. Both options would involve trade-offs, which are summarised in table 4.2. We seek participants' views on which option is most preferred, if any. Respondents should be aware that option 2 would impose transition costs on the Australian Taxation Office, business software providers and all employers (not just those that report).

- Option 1 – Abolish the Workplace Profile and use STP and other administrative data in its place.
- Option 2 – Abolish the Workplace Profile and use STP and other administrative data in its place, but reform STP to collect data on the hours that employees work to allow the existing gender pay gap calculation to be preserved.

To inform these deliberations, the PC is also seeking information about the burden that the Workplace Profile imposes on reporting employers. For example, how many hours it takes to complete and verify, the extent to which this has been automated already, and the potential for it to be automated in the future.

Information request 4.2

The PC seeks participants' views on which of the specific data items currently required in reporting to WGEA are particularly difficult for employers to provide or have particularly limited value for workplace gender equality reporting.

Reform direction 4.1
Remove the requirement for highly gender-equal employers to further improve their performance

To prevent disadvantage to employers that are already highly gender-equal, WGEA should relax the requirement for these employers to improve their performance against gender equality targets. This could be achieved by:

- exempting employers that hold a WGEA Employer of Choice for Gender Equality certification
- WGEA committing to liberally exempting these employers via the 'reasonable excuse' exemption.

If evidence emerges that the gender equality targets are imposing materially higher costs or generating materially lower benefits, then the regime should become voluntary. The next review of WGEA, expected in 2028, should independently assess the early impacts of the requirements and consider whether broader change is necessary.

Reform direction 4.2
Ease the reporting burden on highly gender-equal employers

The Australian Government should relax WGEA reporting requirements for highly gender-equal employers to reduce the reporting burdens they face. The PC is considering:

- which specific reporting requirements (such as the Workplace Profile) should be reported against less frequently (such as once every 3 years)
- what the trigger to reduce the reporting requirements should be (such as maintaining an Employer of Choice for Gender Equality certification).

Reform direction 4.3
Make WGEA data more accessible for researchers

To boost its value for research and policy redevelopment, WGEA should work with the Australian Bureau of Statistics to link their data on an enduring basis to Australia's major integrated data assets – namely the Person Level Integrated Data Asset, the Business Longitudinal Analysis Data Environment and the Linked Employer-Employee Dataset.