

JOINT MEDIA RELEASE

Business leaders call for 25% red tape reduction amid rising costs

EMBARGOED 1030PM 19.4.26

20 April 2026

Nearly 30 groups representing small, medium and large businesses, and universities, that employ millions of Australians, are calling on all governments to cut regulatory costs by 25 per cent to help consumers and businesses amid surging costs caused by the Middle East war.

The Alliance of Industry Associations, which represents every part of the Australian economy, is calling on all levels of government to reduce red tape costs now and commit to a 25 per cent reduction in unnecessary regulation by 2030.

A recent AICD Mandala report shows federal regulatory compliance now costs the Australian economy around \$160 billion a year, almost 6 per cent of GDP and more than the Federal Government spends on Medicare and school education combined.

The Alliance warns that duplication and fragmentation across governments are driving up costs for households and businesses.

The call is outlined in [the Alliance's 2026–27 Pre-Budget Submission](#), released today, which highlights how overlapping and inconsistent regulation across federal, state and local governments is adding unnecessary complexity, delaying projects and increasing costs across the economy.

Council of Small Business Organisations Australia, CEO Skye Cappuccio said, “For small businesses, red tape often means hours each week spent navigating compliance complexity instead of running their business. That’s time taken away from customers, staff and growth. Reducing duplication would ease costs and support stronger productivity growth across the economy.”

National Farmers’ Federation, CEO Mike Guerin said, “Australian agriculture is on track to contribute more than \$100 billion to the economy this year and supports over 250,000 jobs, despite the significant global headwinds thrown its way. Imagine what could be achieved with smarter policy settings and less red tape.

“Cutting duplication would allow farmers to be more nimble in responding to global shocks, spending less time in the office and more out in the paddock, keeping Australian agriculture competitive on the global stage.”

Business Council of Australia, Chief Executive Bran Black said, “In Victoria, a café owner needs 37 separate licences and approvals before they can pour the first coffee, while a tradie on the Gold Coast needs to pay hundreds of dollars in permits just to fix a tap over the NSW border.

“That kind of red tape adds cost, slows things down and makes it harder to keep goods moving and shelves stocked. With global volatility already pushing up prices, cutting that duplication would help bring down costs for Australian households and businesses.”

This cost is ultimately borne by businesses, workers and Australian families at the checkout.

At a time when global pressures are already pushing up costs, unnecessary duplication in our own system is adding to the burden.

Good regulation protects Australians, but when it becomes complex, duplicative and costly, it drives up prices and slows growth.

The Alliance is calling on governments to commit to a 25 per cent reduction in regulatory burden by 2030, starting with immediate steps to reduce costs, undertake an economy-wide regulatory stocktake, and improve coordination across jurisdictions to remove duplication and inconsistency.

The United Kingdom has implemented reforms to reduce regulatory costs and complexity, while the European Union has adopted a 25 per cent red tape reduction target, rising to 35 per cent for small businesses, as part of broader pro-growth reform agendas.

The Alliance of Industry Associations consists of groups representing Australia’s small, medium and large businesses, universities, farmers, retailers and the investment community. The Alliance works collaboratively to support practical reforms that improve productivity and living standards for all Australians.

Further quotes from the Alliance of Industry Associations:

Australian Banking Association, CEO Simon Birmingham:

“Banks fully support a strong regulatory framework that maintains confidence in our financial system and better protects customers.

This is not about lowering regulatory standards, rather finding opportunities to lift productivity, reduce costs for customers and deliver higher-quality banking products.

Our industry welcomes opportunities to engage with government and regulators on initiatives to reduce the regulatory burden on banks and ultimately deliver better outcomes for customers.”

Insurance Council of Australia, CEO Andrew Hall:

“Reducing regulatory red tape is one of the most direct levers available to ease cost of living pressures at a time when the Middle East conflict is driving up prices across the economy.

For the insurance industry alone, that burden costs \$3.5 billion every year – a 25 per cent reduction would deliver real relief for consumers right across the country.”

Australian Institute of Company Directors, Managing Director and CEO Mark Rigotti:

“This isn’t about cutting corners. It’s about a regulatory system that works. When the growth in compliance roles outstrips jobs growth across the wider labour market, the balance is clearly wrong.

Charities are feeling the pain just as much as businesses. Too many resources are being dedicated to onerous compliance obligations when they could be diverted to delivering vital services to the community.”

Master Builders Australia, CEO Denita Wawn:

“The magnitude of the regulatory creep is magnified by Volume Two of the National Construction Code, which started out as a ‘glove box compendium’ for house builders, has grown from 93 pages in 1993 to 889 pages as it stands today.”

“The Productivity Commission estimates that each new home bears regulatory costs of up to \$320,000. Builders are ready to build; they just need to be free from the red tape that has built up over the years.”

Minerals Council of Australia, CEO Tania Constable PSM:

“Australian mining projects face slow and complex regulatory approvals, making us more vulnerable to competition for mining investment from other resource-rich economies with lower regulatory costs and faster approval processes.

It’s time for change so Australia can stay in the lead on mining and deliver the minerals the world needs by developing more mines, more quickly.”

Property Council of Australia, CEO Mike Zorbas:

“30 years ago, you could build a new home twice as fast as today. It must be national priority number one to weed out the duplication and inconsistencies that hold back the new housing and new commercial and industrial projects our nation needs.”

Australian Retail Council, CEO Chris Rodwell:

“Australian Retail Council and Mandala modelling shows regulatory fragmentation will wipe \$26 billion from national GDP over the next decade and add more than \$9 billion to the cost of living.

Retailers operating nationally are forced into duplicative compliance, fragmented logistics and inconsistent supply chains, when that capital should be driving productivity, investment and lower prices.”

Australian Investment Council, Chief Executive Navleen Prasad:

“The cost of doing business in Australia is too high. Insufficient oversight and structured review of Australia's regulations is having a material impact on business formation, productivity and Australia's start-ups and growth businesses.

If we're unable to compete on corporate tax settings, we must compete on speed, simplicity and certainty. The Government must do more to reduce costs and complexity which will help unlock investment in priority sectors, rebuild our supply chains, create jobs and strengthen communities.”

Tourism & Transport Forum, CEO Margy Osmond:

“Time after time, Australia's tourism industry has demonstrated extraordinary resilience, with operators navigating a challenging road to achieve a remarkable recovery. However, the sector cannot continue to absorb increasing pressures indefinitely.

As one of Australia's largest employers, tourism delivers returns to the nation that extend far beyond economics, enriching our communities and cultural identity. Reducing the regulatory burden is essential to ensuring the continued success of our industry.”

UDIA National, President Oscar Stanley said:

“Housing supply doesn't fail at the planning stage—it fails at feasibility. Every additional cost, whether it's fuel, compliance, or delay, pushes more projects below the line. If we don't act now, today's cost pressures will further compound tomorrow's housing shortage.”

We urgently need to accelerate the work of the Government's Housing Taskforce to clear backlogged environmental approvals, holding back the delivery of tens of thousands of houses across Australia.”

Australian Telecommunications Alliance, CEO Luke Coleman:

“Telcos are subject to some 200 sector-specific legislative and regulatory instruments, with around 20 new obligations introduced last year alone.

Digital infrastructure is fundamental to improving Australia's productivity — investment would be better directed towards improved networks, not high compliance costs.”

Chartered Accountants Australia & New Zealand, CEO Ainslie van Onselen:

“Strong regulation is essential to trust and confidence in our economy. But when regulation is duplicated or overly complex, it adds cost without improving outcomes.

Better coordination and a clearer focus on outcomes would lift productivity while preserving the protections Australians rely on.”

CPA Australia, CEO Chris Freeland AM:

“Excessive and poorly targeted regulation continues to be a major contributor to Australia’s weak productivity growth and declining international competitiveness.”

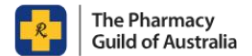
Too many businesses, particularly small and medium enterprises, are spending far too much time navigating complex reporting requirements, outdated processes and inconsistent rules.”

Group of Eight, Chief Executive Vicki Thomson:

“At a time when households are already under pressure, Australia cannot afford regulatory duplication that slows research and delays solutions.

When research-intensive universities face multiple approvals for the same work, innovation stalls — and the cost is ultimately felt in higher prices, including energy bills.”

This joint statement is on behalf of **the Alliance of Industry Associations:**



Business Council media team

(02) 8224 9214