$160 billion and counting: The cost of Commonwealth regulatory complexity

Report prepared for the Australian Institute of Company Directors

NOVEMBER 2025

Contents

MANDALA

Mandala is an economics research and advisory firm. Mandala specialises in combining cutting-edge data and advanced analytical techniques to generate new insights and fresh perspectives on the challenges facing businesses and governments.

Note: All dollar figures are Australian dollars unless indicated otherwise.

The cost of compliance to Australian businesses is nearing $160 billion, around 5.8% of GDP, up from 4.2% a decade ago

MANDALA

Australian Institute *of* Company Directors

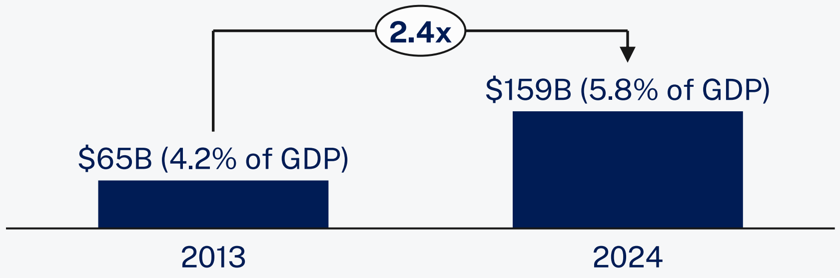
Australia's well-known productivity challenge is in part due to our growing regulatory burden. Productivity growth is at its lowest point in 60 years and our regulatory burden when compared to G7 nations ranks second highest (behind Japan).

Our regulatory burden has grown significantly over time, driving up business costs. The volume of regulation has increased, and in response, businesses are diverting resources towards managing compliance, which can displace investment in other activities.

Reform is urgently needed. One key opportunity is raising the revenue threshold for a 'large proprietary company', which would mean fewer businesses incur the significant costs of reporting.

$160 billion

In **compliance costs to businesses** a year, which is **5.8% of GDP**



Growth in regulation

2X

The **number** of Federal regulations has doubled since 2000

3X

The **pages** of Federal regulation have tripled since 2000

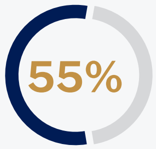
Impact on businesses

2X

The **number** of compliance roles has doubled

$16 billion

Spent on **legal services** in 2024, almost **triple** the cost of $6 billion in 2010



Of **board time** spent on addressing compliance matters in 2025

Savings from regulatory reform over four years

Savings resulting from raising the revenue threshold for a large proprietary company

$700 million

In savings from **Financial, Directors' & Auditor's Reports**

$1 billion

In savings from **Climate-Related Financial Disclosures**

Executive summary

Compliance with federal regulations costs Australia $160 billion, or around 5.8 per cent of GDP in 2024. The burden of compliance has increased since the last time Australia conducted a regulatory stocktake in 2013, when compliance was determined to cost $65 billion or 4.2 per cent of GDP. This does not include the cost of compliance with state and local government regulations, which would add additional burden.

Australia's productivity is lower than peer countries, with a simultaneously higher regulatory burden. Productivity growth has reached its lowest point in 60 years. Australia's productivity is much lower and our regulatory burden is higher than the OECD average.

Addressing Australia's growing regulatory burden is one lever in improving the nation's productivity. Australia's weak productivity growth is in part attributed to the growing regulatory burden facing our businesses. More resources being directed towards regulation drives up costs and directs effort away from productivity-enhancing activities.

The regulatory landscape in Australia has expanded and become more complex in recent decades. More regulations are being added for businesses to comply with, with double the number of federal regulations and triple the pages since 2000.

Businesses are diverting resources towards compliance in response to an expanding regulatory burden. Compliance roles have doubled since 2010, shifting labour costs towards compliance and growing faster than overall employment. Across the same time period, legal spending and board time spent on compliance have both doubled.

Spending on compliance indirectly hampers business investment. A 0.1 per cent increase in the share of compliance workers, similar to the change over the past decade, is associated with a $10.4 billion reduction in investment.

Regulatory reform is urgently needed, and it requires addressing the existing stock of regulation and the flow of new regulation.

To address **existing regulation**, AICD recommends:

- Committing to a 25 per cent reduction in regulatory costs by 2030
- Lifting the thresholds for large proprietary companies and Group 3 climate reporting entities, which could save $1.7 billion over four years
- Adopting in full the Australian Law Reform Commission's recommendations

To address the flow of **new regulation**, AICD recommends:

- Strengthening scrutiny of new regulation
- Introducing systematic post-implementation reviews
- Reinstating an independent corporate law advisory body.

Source: Mandala analysis.

The Productivity Commission has identified a link between our weak productivity growth and high regulatory burden

Productivity growth has reached its lowest rate in more than 60 years. Annual productivity growth has declined from 2.2 per cent in the 1990s to just 0.1 per cent in the 2020s. Over this period, the amount of Commonwealth legislation has tripled.

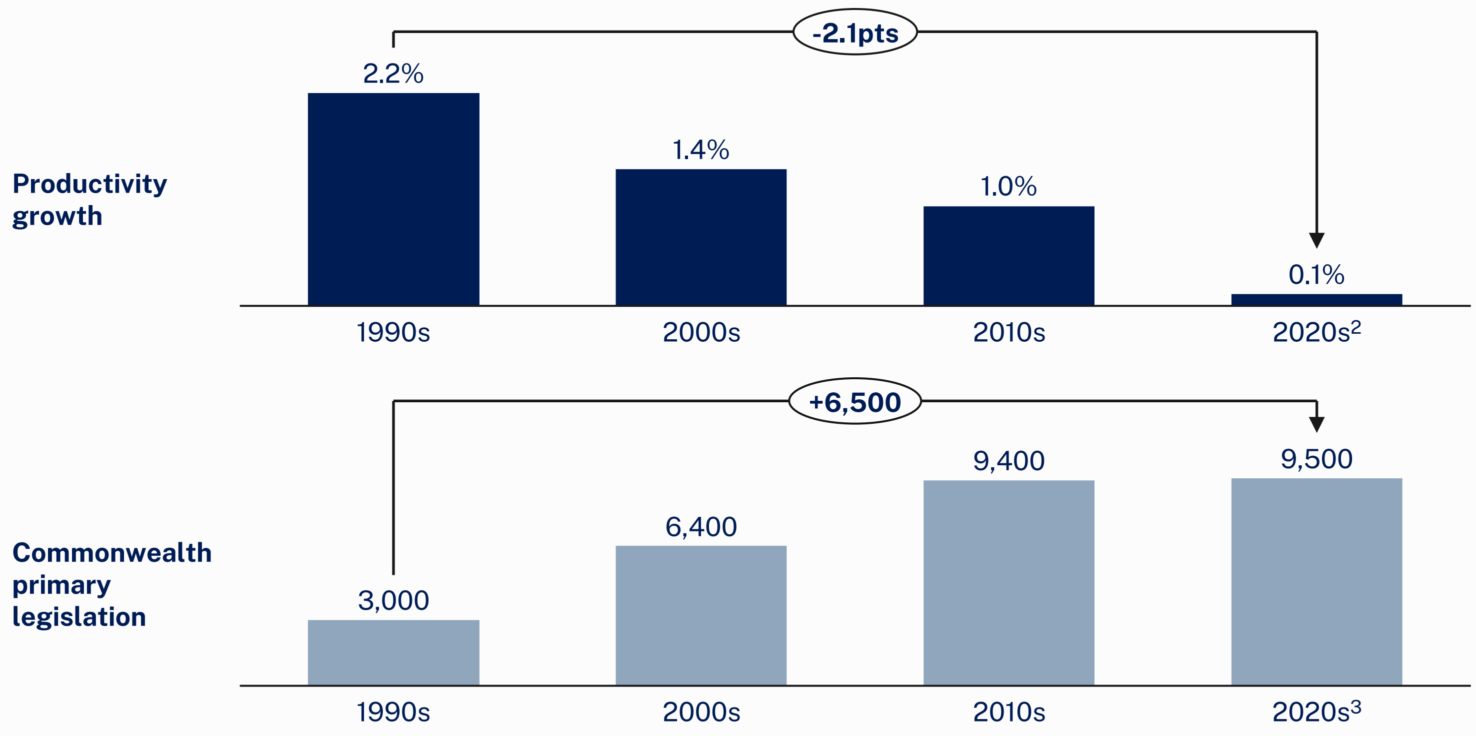
The Productivity Commission's (PC) Interim Report 'Creating a more dynamic and resilient economy' attributes some of the reduction in productivity growth to a growing regulatory burden.[1] The PC found the following:

- Regulatory 'thickets' and layers of rules have increased compliance costs and slowed approvals, undermining dynamism.
- The volume and complexity of regulation act as barriers to firm entry, scaling, and innovation, which limits competition and productivity growth.
- Insufficient weight is given to growth and dynamism when making or implementing regulation, resulting in reduced business investment and weaker overall economic performance.

1 Productivity Commission (2025) *Creating a more dynamic and resilient economy – Interim report.*
Source: ABS (2024) *Australian National Accounts*; Mandala analysis.

Australia's annual productivity growth and amount of Commonwealth primary legislation by decade

Average annual percentage increase, 1998-2024; Count of principal legislation in force within each year[1], 1990-2024



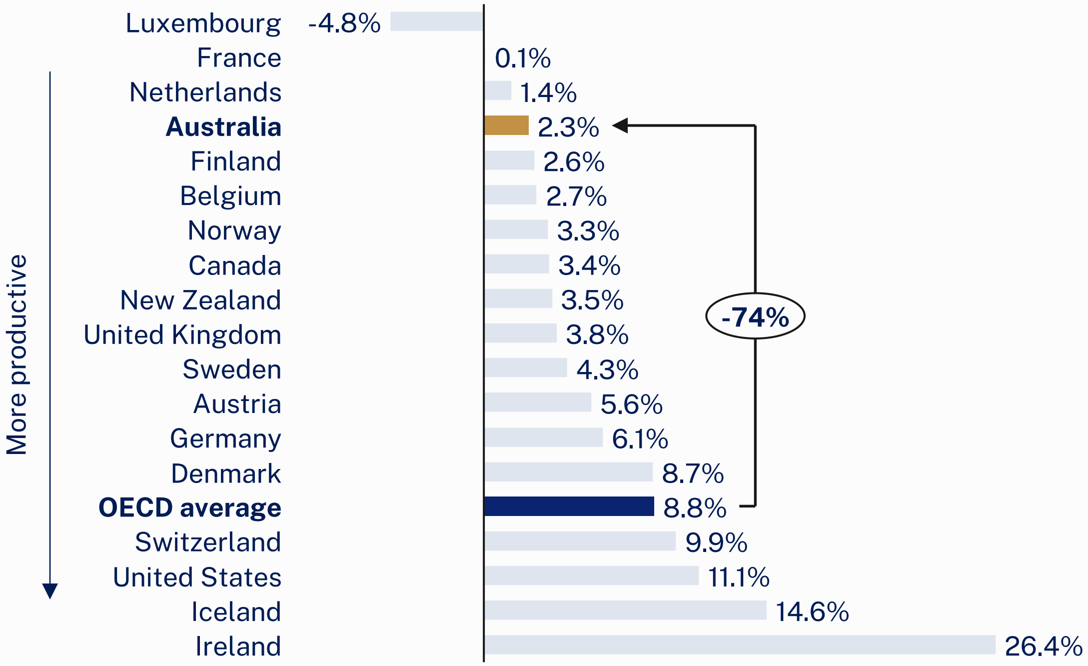
Productivity growth has declined over the past three decades, reaching its lowest rate in more than 60 years. Over this same period the amount of Commonwealth legislation has tripled.

1 Further details on subsequent slides. 2 Includes only the period from 2020 to 2024. Productivity in 2020s was impacted by the COVID-19 pandemic.
Source: ABS (2024) *Australian National Accounts*; Australian Law Reform Commission (2022) *DataHub*; Australian Government (n.d.) *Federal Register of Legislation*; Mandala analysis.

Australia has fallen behind other OECD countries in productivity growth, and our regulatory system is amongst the most burdensome

Labour productivity growth by OECD country

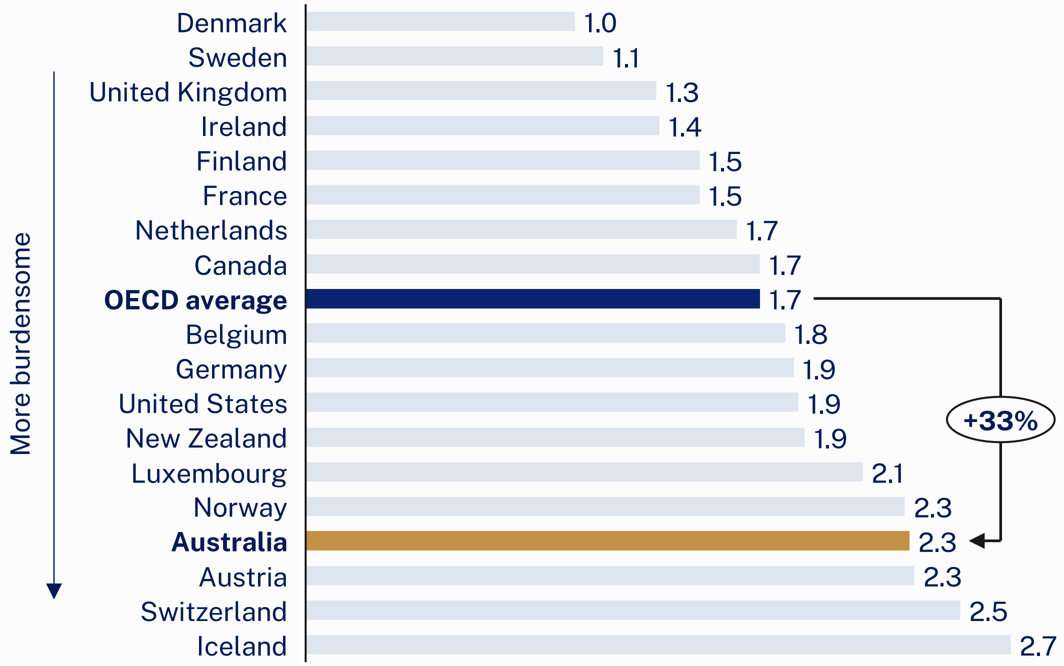
% change in GDP per hour worked, 2015-2023



Note: Countries depicted are countries with the highest GDP per capita.
Source: OECD (n.d.) *GDP per hour worked (Index 2015 = 100, USD, PPP converted, Constant prices, 2020)*; Mandala analysis.

Administrative and regulatory burden by OECD country

OECD PMR score, scale 0 to 6 where a lower score denotes a more competition-friendly regulatory set-up, 2023



Note: Countries depicted are countries with the highest GDP per capita.
Source: OECD (2023) *Product Market Regulation*; Mandala analysis.

Australia's regulatory burden is particularly prominent when compared to G7 economies

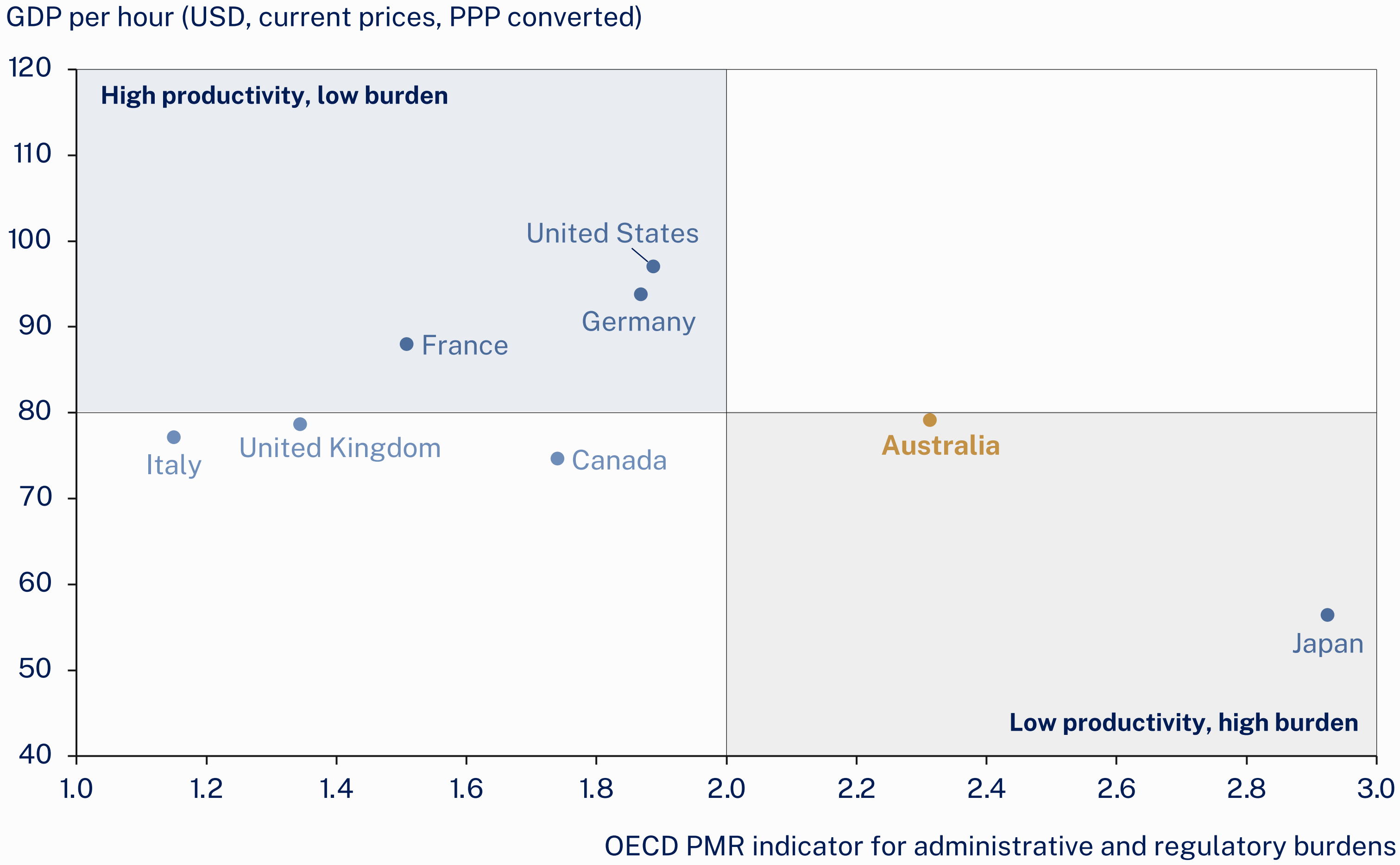
Australia's productivity continues to lag its peers. Labour productivity in Australia remains below that of leading G7 economies, around 23 per cent lower than the United States.

Despite Australia's productivity problems, Australia's regulatory regime is more burdensome in comparison to its peers. When benchmarked against G7 countries, Australia ranked second-highest in administrative and regulatory burdens behind Japan. This suggests that Australian firms face greater friction in starting, operating, and expanding businesses than their peers in almost all advanced economies.

Australia's administrative and regulatory burden was 33 per cent above the OECD average in 2023, up from 15 per cent in 2018.

Administrative and regulatory burden in Australia and the G7 economies

2023



Note: The OECD Product Market Regulation (PMR) indicators provide a quantitative measure of a country's regulatory regime, based on answers to a questionnaire compiled by national authorities. The indicator for 'Administrative and regulatory burden' measures the administrative requirements for new LLCs and privately-owned enterprises, the communication and complexity of a country's regulation, and the simplification of obtaining licenses and permits.
Source: OECD (2023) *Product Market Regulation*; Mandala analysis.

Source: OECD (2023) *Product Market Regulation*; OECD (2023) *Productivity Database*; Mandala analysis.

Peer markets are responding to economic challenges through major reforms to the level of regulatory burden facing businesses

Recent reforms aimed at reducing the burden of regulation on businesses across international markets

Yes | No | Ongoing

	Introduced measures	Established body	Defined targets	Description	National targets or requirements
Australia	Ongoing			▪ Identified **150 new actions** across regulators that can be taken **without additional budget** or **legislative change.**	▪ No national reduction target, limited progress on individual initiatives
United Kingdom	Y		Y	▪ Introduced a **regulation action plan** in early 2025. ▪ Aimed at addressing three system challenges: **complexity** and **administrative burden**, **uncertainty**, and **risk aversion.**	▪ **Reduce** the **administrative burden of regulation on businesses by 25%** by the end of parliament[1].
Canada	Y			▪ Completed a **government-wide review** in mid-2025 to cut overly **complicated, duplicative** or **burdensome regulation.**	▪ 'One for one rule' where **regulators must remove a regulation to offset every new regulation** that imposes administrative burden on businesses.
New Zealand	Y	Y		▪ Established a **Ministry of Regulation** to improve the quality and performance of regulatory systems. ▪ Introduced a **Regulatory Standards Bill** to parliament.	▪ Initiate **one regulatory review per quarter**.
European Union	Y		Y	▪ Introduced a **'better regulation' agenda** to **simplify laws, cut red tape**, and **boost competitiveness** of EU companies. ▪ Released Omnibus package of measures in 2025 as part of this 'simplification' agenda, with more planned.	▪ **Reduce** the **administrative burden by 25%**[2] **for all businesses** and **35% for SMEs.** ▪ New regulations must abide by **'one in, one out' approach** to offset introduced burdens.
United States	Y	Y		▪ The Trump Administration issued several policy documents as part of a **national deregulation agenda**, ranging from executive orders to memoranda.	▪ Revoke at least ten prior regulations for each new regulation. ▪ New regulations must invoke no incremental costs.

1 Translates to a reduction of £5.6 billion annually, where current burdens are estimated to be £22.4 billion annually. 2 Translates to a reduction of €37.5 billion for all businesses by end of the mandate.

Source: Australian Government (2025) *Regulatory reform to reduce red tape and ease burden on businesses*; Government of Canada (2025) *Red tape review: summary and next steps*; Government of Canada (2020) *Red tape reduction act*; HM Treasury (2025) *Regulation Action Plan – Progress Update and Next Steps*; European Commission (2025) *Better regulation*; Brookings (2025) *Tracking regulatory changes in the second Trump administration*; White House (2025) *Directing the repeal of unlawful regulations;* Mandala analysis.

SUPREME COUNCIL U. S.
NORTHERN JURISDICTION
1877 - 1878
1878
1879
1879 - 1880
1880
1880-81
1881 - 1882

Australia's legislative landscape is increasingly shaped by the regulators while the stock of regulation continues to expand without comprehensive review

Key factors driving Australian regulatory accumulation

Regulators are increasingly driving new regulation volume and complexity

- **Parliament has a desire for flexibility.** Parliament delegates regulatory powers to Ministers, departments, and regulatory bodies through acts, which confers discretion for decision-making although it should not delegate the creation of offences.[1,2]
- **Regulators increasingly exercise their delegated powers.** Regulators increasingly take on additional decision-making authority, expanding their regulatory scope and oversight functions.[3] This has contributed to the volume of legislative instruments from key regulators doubling since 2000.

New regulations are added without a clear analysis of their cumulative impact

- **Cumulative impacts across the regulatory system have received less attention than individual assessments.** Adding new regulations without broader review results in compounding regulatory burden. The last regulatory stocktake was undertaken in 2013.[4]
- **The cumulative burden of duplicative or inconsistent regulation is one of the most impactful issues that businesses face.** These are likely to be missed when assessing regulations in isolation.[5]

Regulations are not often subject to rigorous post-implementation reviews and consolidation

- **The total stock of regulation is increasing with more regulatory additions than repeals.** There were around 400 more principal regulations created compared to the number repealed between 2010 and 2022.
- **Post-implementation reviews are infrequent and do not assess cumulative impact**, nor whether the intended policy outcomes were actioned or estimated implementation costs realised.

1 Parliament of Australia (n.d.) *Delegated legislation*; 2 Attorney-General's Department (2024) *A Guide to Framing Commonwealth Offences, Infringement Notices and Enforcement* Powers; 3 ASIC (2019) *ASIC's approach to enforcement after the Royal Commission*; 4 Department of Prime Minister and Cabinet (2015) *Australian Government annual deregulation report 2014;* 5 Productivity Commission (2025) *Creating a more dynamic and resilient economy*: Interim Report; Mandala analysis.

Regulatory activity by key regulators has doubled since 2010

Regulatory scope has expanded over time, through primary legislation or acts that delegate power to regulatory bodies like APRA, ASIC, and the ACCC.

Australia's regulatory framework operates across several layers. Parliament creates primary legislation and regulators such as APRA, ASIC, and the ACCC develop subordinate instruments under delegated powers.

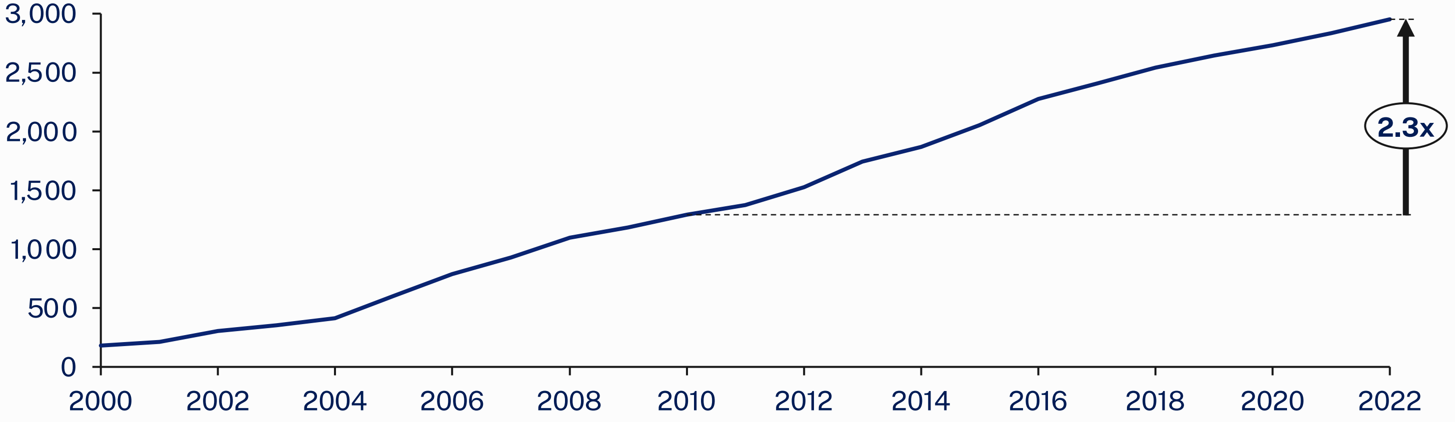
Legislative instruments from specific regulators more than doubled between 2010 and 2022.

At the same time, the duration of consultation periods have dropped 15 per cent, signalling rushed legislation and an increased likelihood of worse business outcomes. Businesses face greater pressure to respond in a timely manner, adding to the costs of coordinating relevant stakeholders, preparing responses and submissions, and responding to requests.

Source: Stakeholder consultation; Mandala analysis.

Volume of in-force legislative instruments linked to select regulators

Total in-force legislative instruments from ACCC, APRA, ASIC, ATO, and AUSTRAC, 2000-2024



Australia's regulatory system

Parliament creates primary legislation through Acts

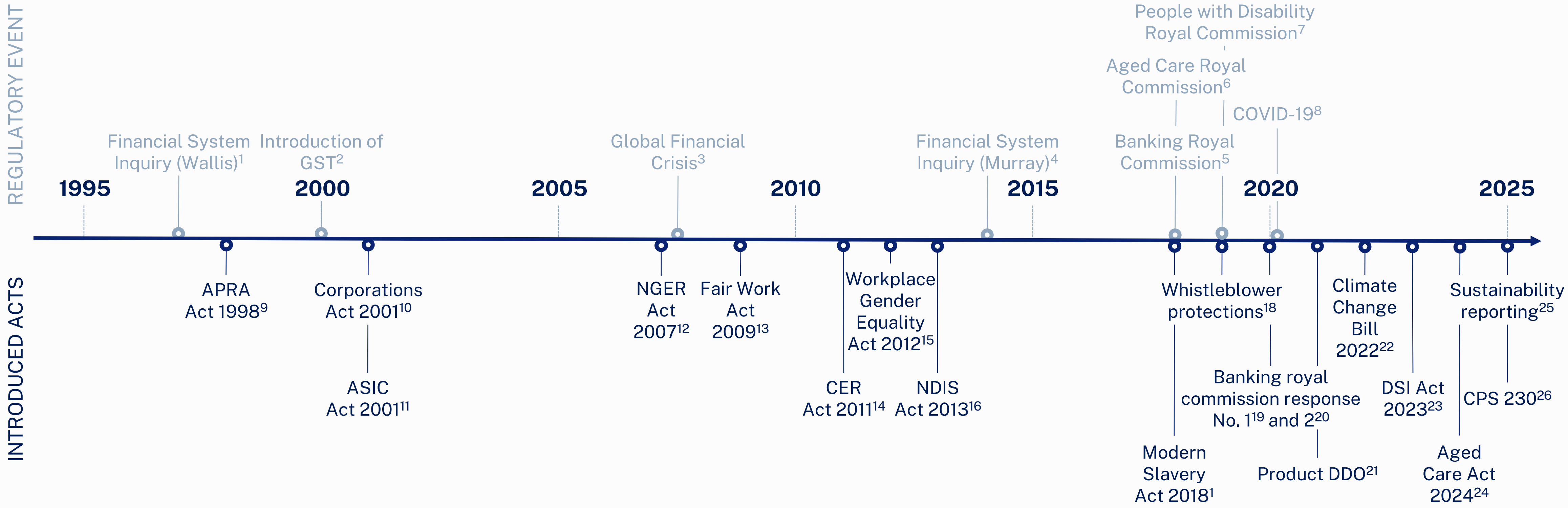
The regulators and Ministers create subordinate legislation with Act empowerment through:

- Government agencies (e.g. ASIC, ACCC, ATO, etc.)
- Sector regulators (e.g. APRA, TGA, AER, etc.)

Source: The Treasury (n.d.) *Consultations*; Australian Law Reform Commission (2022) *DataHub;* Mandala analysis.

High-profile events have prompted legislative responses and the introduction of new acts, contributing to Australia’s growing stock of regulations

Non-exhaustive timeline of acts, amendments, bills, obligations, and regulatory events by entry year



Australia’s regulatory environment has evolved through a series of event-driven reforms, with Royal Commissions contributing significantly to a growing and increasingly complex body of regulation in recent years.

1 The Treasury (n.d.); 2 ATO (n.d.); 3 Reserve Bank of Australia (n.d.); 4 The Treasury (n.d.); 5 Royal Commission (n.d.); 6 Royal Commission (n.d.); 7 Royal Commission (n.d.); 8 AIHW (2024); 9 Australian Government (2024); 10 Australian Government (2025); 11 Australian Government (2025); 12 Australian Government (2025); 13 Australian Government (2025); 14 Australian Government (2025); 15 Australian Government (2025); 16 Australian Government (2025); 17 Australian Government (2024); 18 ASIC (n.d.); 19 Parliament of Australia (n.d.); 20 Parliament of Australia (n.d.); 21 The Treasury (n.d.); 22 Parliament of Australia (2022); 23 Australian Government (2024) ; 24 Australian Government (2025); 25 ATO (2024); 26 APRA (2025); Mandala analysis.

Australian regulation has grown sharply since 2000, with double the amount of legislation

There has been a significant increase in volume of legislation over the past two decades.

The number of acts and legislative instruments has more than doubled from 3,974 in 2000 to 9,600 in 2024. A brief decline in 2012 to 2014 (around the time of the Abbott Government's deregulation agenda) did little to offset the growth built up since 2000. There has not been a sustained effort to repeal and reduce regulatory volumes.

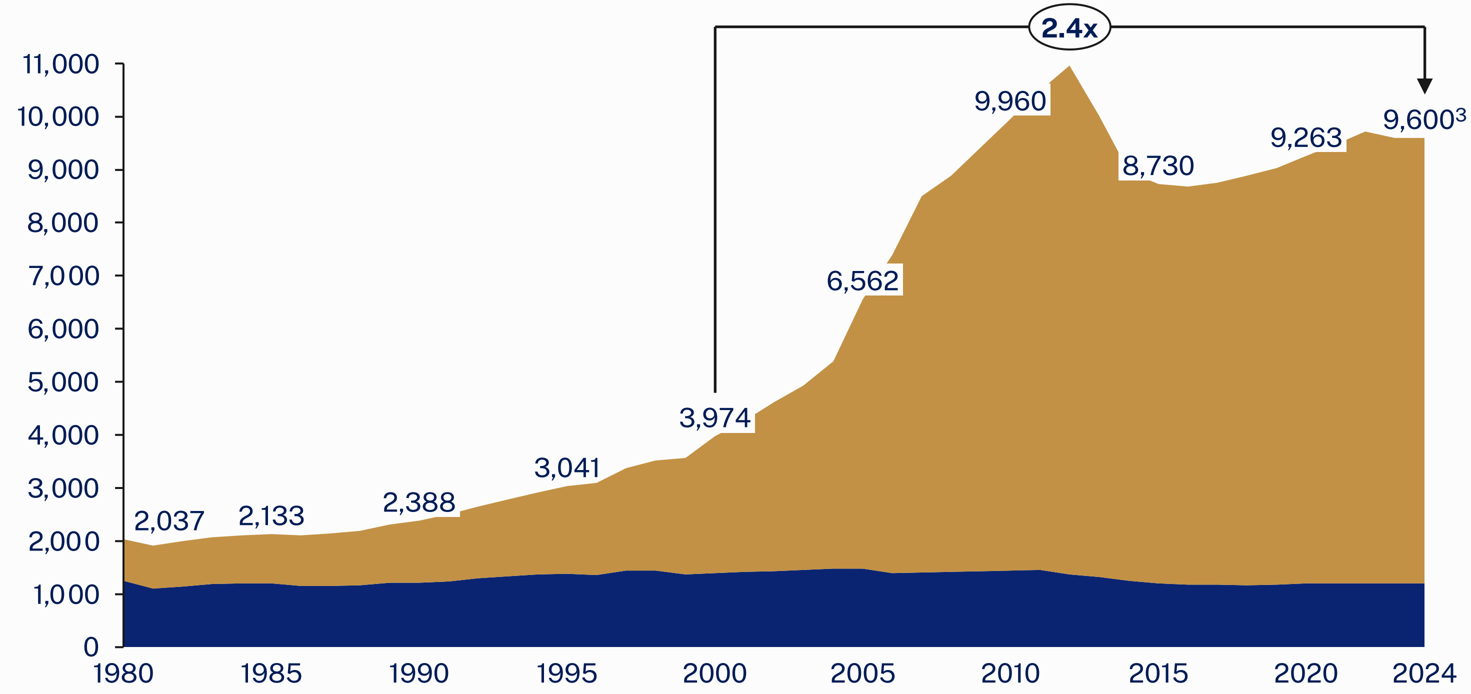
Legislative instruments are the key driver of this increase in volume, as the number of acts has fallen marginally since 2000 while legislative instruments have tripled. A growing reliance on delegated legislation has made Australia's regulatory system more complex and harder to navigate. Delegated legislation also typically has less parliamentary scrutiny, given it does not require positive assent by both houses.

Source: Australian Law Reform Commission (2022) *DataHub*; Mandala analysis.

Amount of Commonwealth Government legislation

Count of principal legislation in force within each year, 1980-2024

The number of acts and legislative instruments has doubled from 3,974 in 2000 to 9,600 in 2024.



Note: Legislation which was in force within the give year, excluding legislation repealed that year and legislation with the exclusive subject matter of civil aviation. Determined with ALRC data up to June 2022, utilising the growth rate from the Federal Register of Legislation for 2023-24.
Source: Department of Prime Minister and Cabinet (2015) *Australian Government annual deregulation report 2014*; Australian Law Reform Commission (2022) *DataHub*; Australian Government (n.d.) *Federal Register of Legislation*; Mandala analysis.

Legislation has also grown longer since 2000, with almost a tripling in pages

The number of pages of legislation have increased rapidly over the past two decades.

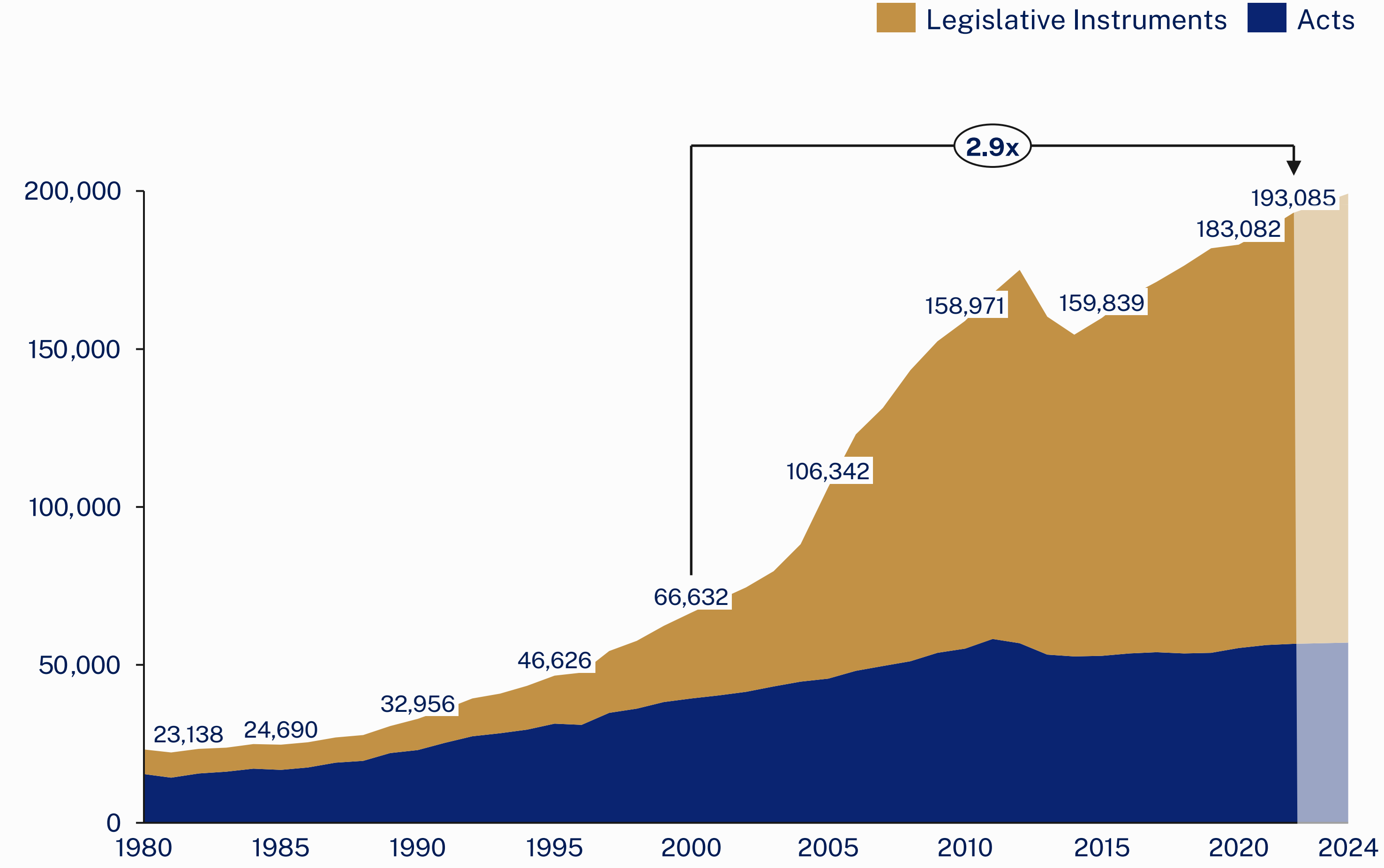
Increased volume of legislation means businesses, not-for-profit organisations (NFPs), and individuals have more laws to understand and comply with. There are multiple ways of measuring the volume of legislation, including the number of pieces of legislation and the pages of legislation. Pages are a suitable measure for the legal requirements within Australia, as a longer act or legislative instrument is likely to create more requirements.

There were 193,000 pages in acts and legislative instruments in 2022, which has tripled from 67,000 in 2000. The growth in pages has been primarily driven by legislative instruments, as pages of legislative instrument have grown to five-times the amount in 2010.

Source: Australian Law Reform Commission (2022) *Financial Services Legislation: Interim Report B (ALRC Report 139)*; Australian Law Reform Commission (2021) *Complexity and Legislative Design (FSL2)*; Mandala analysis.

Pages of Commonwealth Government legislation

Pages of Commonwealth Government legislation in force within each year, 1980-2024



Note: Excludes legislation related to civil aviation. Includes legislation which was in force within the given year, excluding legislation repealed as of that year. ALRC data extends to June 2022. Number of pages imputed for 2023 and 2024 based on average growth rate from 2010 to 2022. Legislative pages includes the number of pages as on the legislation's 'Download' Federal Register of Legislation webpage, supplemented with ALRC analysis as needed.
Source: Australian Law Reform Commission (2022) *DataHub*; Mandala analysis.

An aggregate measure suggests legislative complexity has doubled since 2010

Regulation is increasingly complex, making it hard for businesses to know their obligations and comply. An aggregate measure suggests that legislative complexity has doubled between 2010 and 2022.[1]

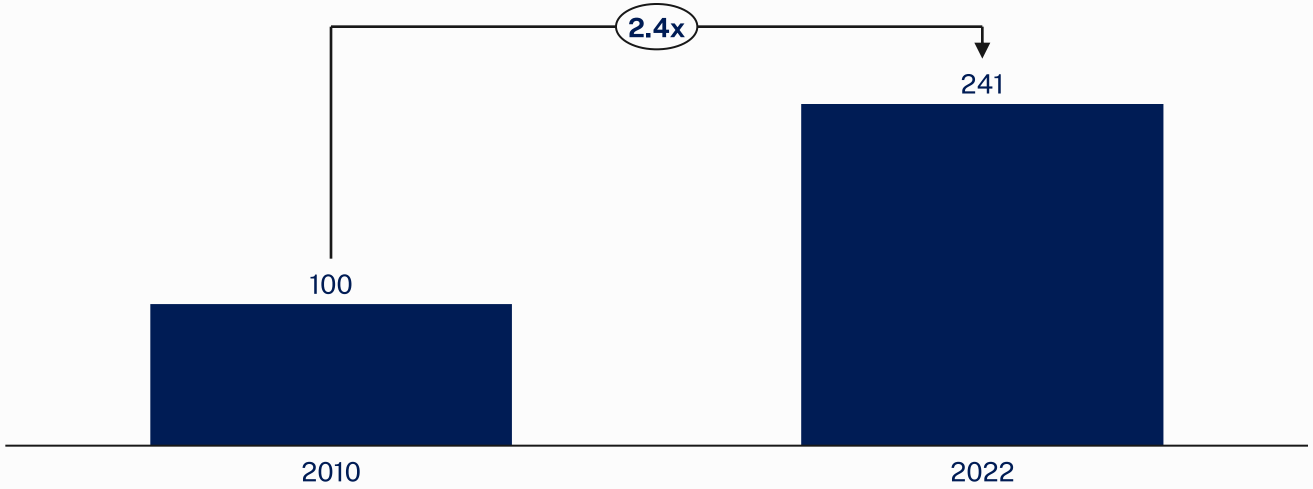
An aggregate complexity increase indicates legislation is harder to navigate, interpret, or implement.

As a result of increasing legislative complexity, businesses are facing fragmented and overlapping requirements, rules that are difficult to understand, and frequent regulatory changes that add to their compliance burden.

1 Complexity metrics are informed by the ALRC's complexity framework, with the addition of structural elements as another measure acknowledged by the ALRC. While this aggregate measure can show how complexity has changed over time, it should not be used as a performance ranking for the complexity of specific acts
Source: Australian Law Reform Commission (2024) *Confronting Complexity: Reforming Corporations and Financial Services Legislation (ALRC Report 141)*; Mandala analysis.

Legislative complexity index

Aggregate measure of legislative complexity indexed to 100 for 2010[1], 2010-2022



The constructed aggregate measure of complexity accounts for the rate of change in the following metrics relative to volume of legislation:

- Increase in use of notional amendments
- Increase in the use of structural elements
- Increase in use of penalty provisions
- Increase in terms that are defined
- Increase in use of legislative instruments instead of acts
- Change in interconnectedness between legislation[2]

1 Metric includes a measure of change in annual notional amendments relative to the number of acts, structural elements per act, offences of civil liability language as a proportion of total words in acts, the proportion of words in acts which are defined, the proportion of pages from legislative instruments, and the number of cross-references in acts. Metrics exclude civil aviation legislation. 2 Cross-references have decreased between acts, which would indicate lower complexity, although it is likely this does not capture a potential increase in cross-references between legislative instruments.
Source: Australian Law Reform Commission (2022) *DataHub*; Mandala analysis.

Fragmented requirements, unclear rules, and frequent amendments are making Australia's regulatory system more complex for businesses to navigate

Key issues	Examples of complexity[1]
Fragmented and overlapping requirements	**Locating the relevant regulations and interpreting conflicting requirements can be extremely difficult for businesses.** ▪ **Legislative maze.** Businesses increasingly need to refer to multiple items of legislation to understand their legal obligations. ▪ **Incoherent legislative hierarchy.** Businesses can read an act without knowing its legal effect was changed elsewhere by notional amendments. Annual notional amendments relative to the number of total acts has increased by almost eight-fold between 2010 to 2022. ▪ **Overlapping regulator mandates:** 60% of directors believe lack of coordination between regulators or different levels of government is a top three barrier to an effective regulatory system.
Difficult to understand rules	**Poorly designed rules can be difficult to understand and interpret.** ▪ **Confusing design.** The ALRC stated that the Corporations and Financial Services legislation *"relies on poorly structured and framed primary legislation, in which provisions are frequently difficult to navigate and understand, and…fundamental norms are obscured by prescriptive detail."*[2] ▪ **Inconsistent application of definitions.** Definitions are increasingly used, with 250,000 new defined terms in acts between 2010 and 2022 leading to a 40% rise in the proportion of words in acts which are defined. This creates the risk of definitions being applied differently within or between acts. For example, the Corporations Act and ASIC Act each have different definitions for 'financial product' and 'financial service'.
Regular rule changes with poorly timed sequencing	**Frequent changes and poor sequencing can make it difficult for businesses to keep up with regulations.** ▪ **Frequent changes.** There are on average 1,000 new legislative items and 900 new amendments per year, which represents legislative changes that businesses need to ensure they understand and comply with, including updating new processes.[3] ▪ **Poor sequencing.** Timing of regulatory changes creates challenges for businesses, which includes changes from multiple regulators at similar times and guidance being delayed. A large insurer *shared they "have experienced reform where sharing of guidance was delayed, meaning we need to make changes with reduced certainty."*

1 Estimates for specific complexity indicators in appendix. 2 Page 74 of ALRC (2024) *Confronting Complexity: Reforming Corporations and Financial Services Legislation (ALRC Report 141).* 3 Average of principal legislation and amending legislation created each year between 2010 to 2022, excluding civil aviation. Further detail on method in appendix.
Source: AICD Director Sentiment Index data from 2015 and 2025; Stakeholder insights; Mandala analysis.

Legal spending has tripled since 2010 as businesses seek support for regulatory requirements

Australian businesses have had to increase spending on legal services in the past decade, with regulatory requirements being one key driver of legal spending.

External legal services spending has grown almost **3x** from an estimated **$6** billion in 2010 to **$16** billion in 2024, equivalent to a 39% increase in external legal services spending as a percentage of GDP since 2010.[1]

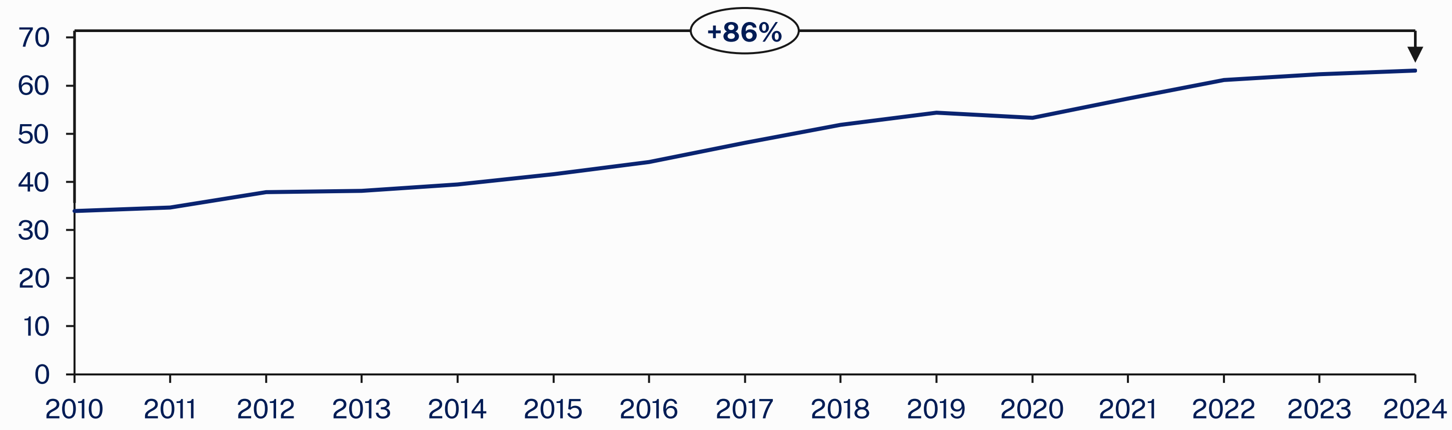
A significant portion of the legal spending is going towards an increase in the number of legal services roles. As firms seek to keep up with a changing regulatory environment, they are increasingly utilising the support of professional services.

The trend of legal spending growth is likely to continue, as regulatory requirements were the top driver of legal spend anticipation in Australia for FY24 and FY25.[2]

1 Nominal dollar values for 2010 and 2024. 2 From Thomas Reuters.
Source: Thomas Reuters (2024) *Australia State of the Legal Market 2024*; Thomas Reuters (2025) *Australia State of the Legal Market 2025;* Mandala analysis.

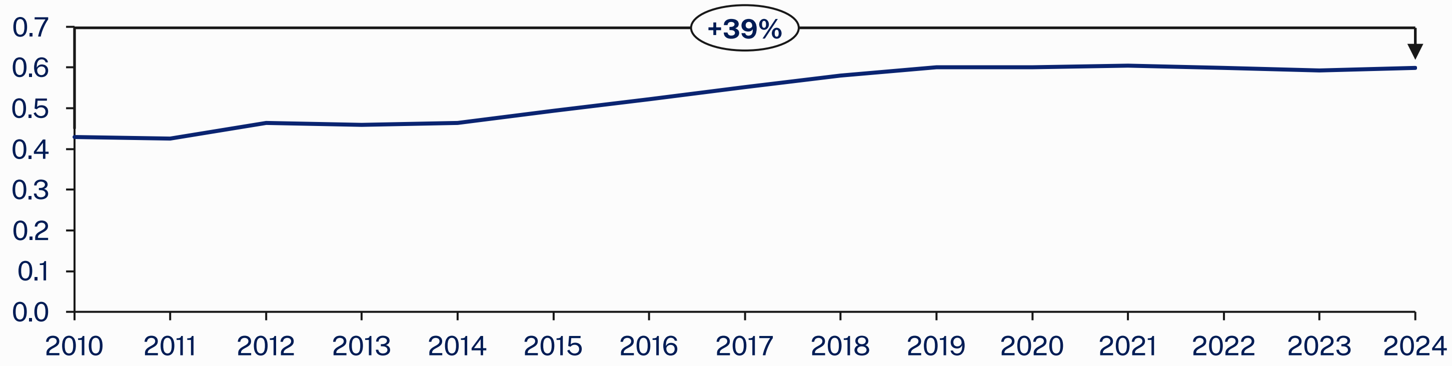
Volume of external legal services roles

000's, FY10-24



Estimated spending on external legal services as a percentage of GDP

% of GDP, FY10-24



Note: External legal services spending based on external legal services headcount, an estimated FTE as a proportion of headcount, and $342,825 median revenue per FTE in 2024. Annual growth in fees is assumed to have been 2.9% over the past 10 years based on the difference between a 6.4% annual growth in fees worked (a proxy for revenue growth) and 3.5% annual growth in legal headcount.
Source: Revelio data; ABS (2025) *Australian Industry*; Macquarie (2024) *2024 Legal benchmarking report*; Thomas Reuters (2025) *Australia State of the Legal Market 2025*; Mandala analysis.

Compliance now permeates all aspects of Australian business, with compliance roles doubling since 2010

Australian businesses have had to increase compliance-specific headcount to navigate regulatory complexity.

The number of roles in this category has more than doubled since 2010 to almost 52,000. This is a similar increase to other more dynamic areas of the economy, such as ICT where roles have risen 2.2 times since 2010.

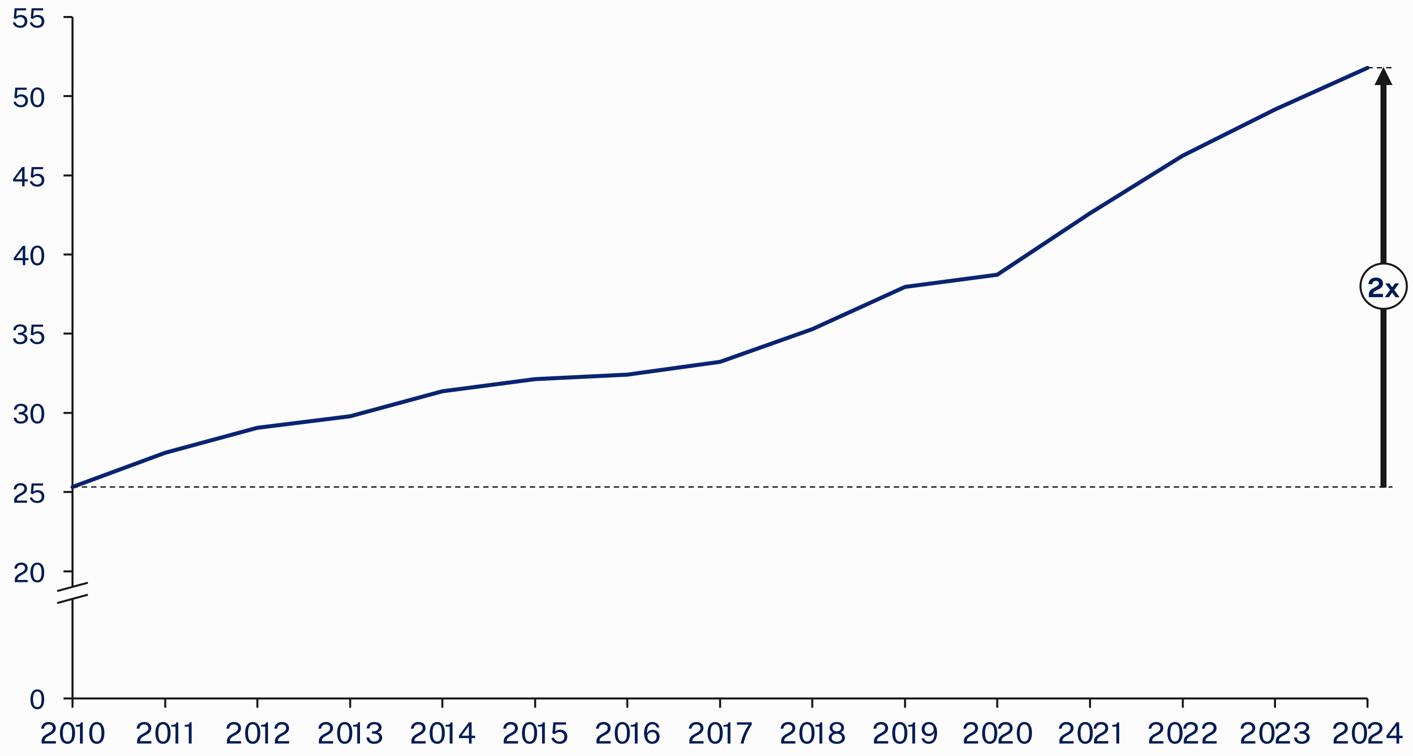
The salary spend by businesses on compliance roles has increased from $1.9 billion in 2010 to $5.7 billion in 2024.[1]

This expansion in both headcount and wages indicates that businesses are directing resources towards compliance demands and away from more productive, value-adding activities, and reshaping the structure of the labour market in the process.

1 Nominal dollar values for 2010 and 2024.
Source: JSA (2025) *Jobs and Skills Atlas;* Mandala analysis.

Volume of compliance-specific roles

000's, FY10-24



Our climate reporting team has grown to ~10 FTE. This function did not exist 5 years ago.
- Major insurer

Note: Captures active individuals with job titles containing 'compliance' (e.g. Compliance Manager or Head of Compliance).
Source: Revelio data; ABS (2025) *Australian Industry*; Stakeholder consultations; Mandala analysis.

Compliance roles have grown faster than the labour market, across all market and non-market sectors

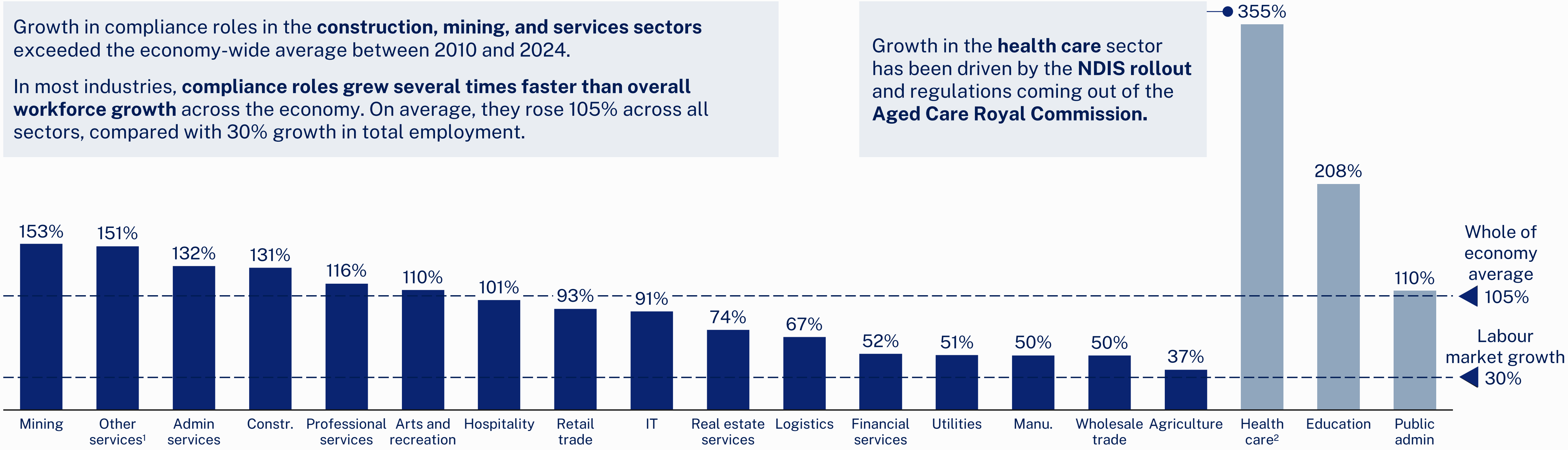
Growth of compliance-specific roles by industry

Percentage growth in compliance-specific roles, FY10-24

Growth in compliance roles in the **construction, mining, and services sectors** exceeded the economy-wide average between 2010 and 2024.

In most industries, **compliance roles grew several times faster than overall workforce growth** across the economy. On average, they rose 105% across all sectors, compared with 30% growth in total employment.

Growth in the **health care** sector has been driven by the **NDIS rollout** and regulations coming out of the **Aged Care Royal Commission.**



Growth in industry workforce, FY10-24:

Faster than whole of economy average

Mining	Other services[1]	Admin services	Constr.	Professional services	Arts and recreation	Hospitality	Retail trade	IT	Real estate services	Logistics	Financial services	Utilities	Manu.	Wholesale trade	Agriculture	Health care[2]	Education	Public admin
64%	29%	38%	29%	43%	44%	37%	16%	6%	15%	22%	19%	33%	-6%	11%	-12%	104%	59%	62%

1 Other services include subsectors such as repair and maintenance; and personal and other services. 2 Health care includes industries in social assistance such as aged care and disability services.

Source: Revelio data; ABS (2025) *Australian Industry;* Mandala analysis.

Senior compliance hiring has grown the fastest, signalling the strategic weight of regulatory management

Businesses have reallocated resources toward senior and board-level compliance capability. Senior compliance roles have grown nearly five times faster than total employment since 2010, increasing by 140 per cent compared with 30 per cent growth across the labour market.

The additional time and cost involved in appointing senior compliance staff, often up to nine months, divert management attention and capital from productive activity.

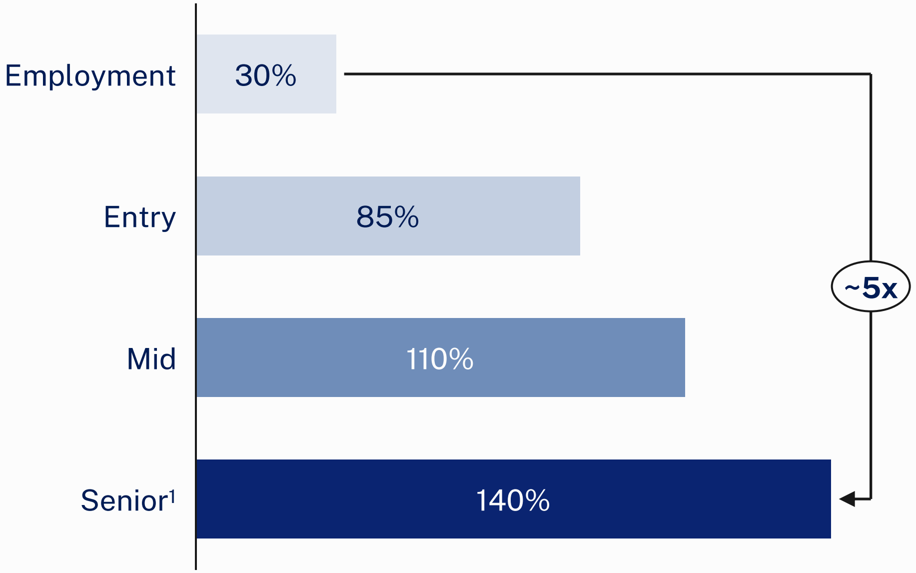
Senior compliance roles have seen faster growth than mid- or entry-level positions, which grew by 110 per cent and 85 per cent respectively, indicating a shift toward more senior oversight of compliance.

Source: AICD (2025) *The legal burden of being a director in Australia*; Stakeholder consultation; Mandala analysis.

Growth of compliance-specific roles at all levels of seniority since 2010

Indexed growth in active roles (FY10 = 0), FY10-24

Senior compliance roles have grown 5x faster than total employment, and faster than mid- and entry-level compliance positions.



In our enterprise planning process with 200 of our most senior staff, compliance-type issues are now our top priority. This means that initiatives that could better serve our customers are being deprioritised.
- Large financial institution

1 Senior roles are defined as director, executive and senior executive positions.
Note: See appendix for methodology.
Source: Revelio data; ABS (2025) *Australian Industry;* Stakeholder consultation; Mandala analysis.

The growing focus on compliance is limiting board time on strategy and hampering risk appetite

Board agendas are increasingly dominated by regulatory matters. Compliance is now consuming 55 per cent of board time, more than double what it was a decade ago.

Research commissioned by the AICD from Allens shows one of the key reasons for this uplift: Australian directors operate in a uniquely complex and high-risk legal landscape.[1] Allens found that Australia's regulatory framework is more burdensome overall than in comparable jurisdictions such as Canada, Hong Kong, New Zealand, the UK, and the US, helping explain the sharp rise in compliance obligations over the past decade. New laws have added further responsibilities, including expanded reporting and attestation requirements in areas such as sustainability, modern slavery, and critical infrastructure.

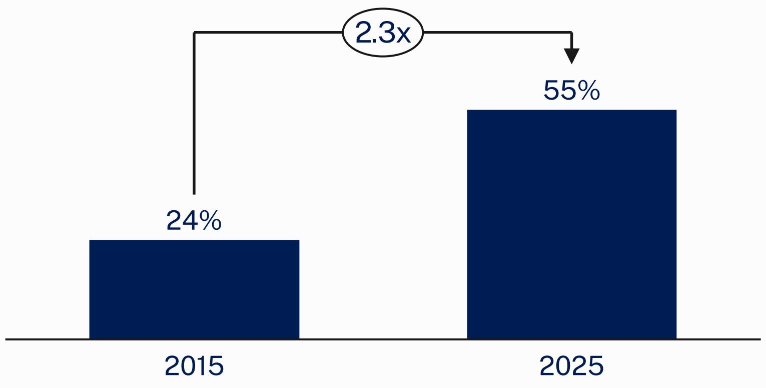
If directors were able to spend less time on compliance, they would dedicate more attention to long-term direction, strategy, and technology such as AI.[2] Compliance and regulation is the leading factor impacting boards' risk appetite for nearly 60 per cent of directors, well ahead of other issues.

1 AICD (2025) *Director Liability: Comparative assessment of Australia and international peers*; 2 Stakeholder consultation.

Growth in board time spent on compliance compared to 2015

Percentage of Board's discussion and consideration spent on risk and compliance, 2015 and 2025

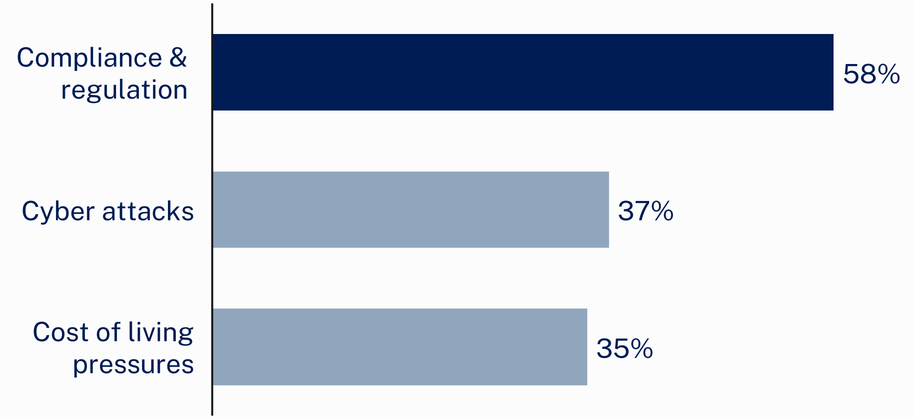
Board time and attention on **compliance has more than doubled** in the last decade.



Top issues impacting the risk appetite of boards

Share of directors citing each factor, top three, 2025

58% of directors say compliance and regulation have **impacted their board's risk appetite.**



Notes: Survey data from AICD Director Sentiment Index data in 2015 and 2025. 2015 DSI quantified the percentage of board commitment spent on regulatory or 'red-tape' compliance.
Source: AICD (2025) *Director Sentiment Index 2H 2025*; AICD (2015) *Director Sentiment Index: Research Findings First Half 2015*; Mandala analysis.

1. Australia’s regulatory burden outpaces peers and is impacting productivity
2. Australia’s regulatory system has expanded and become more complex
3. Compliance-focused labour has become an embedded feature of doing business in Australia
4. **The economic cost of compliance is $160 billion and rising, with some measurable negative outcomes**
5. Targeted reform is urgently needed
6. Appendix

Direct costs of compliance have risen, causing a variety of negative impacts, including significant reduction in business investment

Direct costs of compliance

Compliance costs

$160 billion in compliance costs for Australia in 2024, equivalent to 5.8% of GDP, up from 4.2% of GDP in 2013.

Risks from non-compliance

The number of offences in acts have grown **44%** since 2010, with major increases in fines and penalties.[1]

Indirect costs of compliance

Investment

$10.4 billion reduction in investment within the Australian economy in 2025 if there was a **0.1% increase** in share of compliance workers.

Business starts and entrepreneurs

Too much regulation has been shown to **negatively impact entrepreneurship**[2] particularly for early-stage businesses.[3]

Adding a step to create a business could impact entrepreneurship and start-ups.[4]

Risk appetite and distortions

58% of directors report that compliance and regulation **reduces their board's risk appetite** (AICD 2025 survey).[5]

Changing business behaviour can result in distortions such as bunching under employee-number thresholds.[6]

Economic growth and activity

Regulation has been shown to **reduce GDP**[7,8] **and business sales growth.**[9,10]

Reduced business activity could lead to negative economic and social outcomes (e.g. housing).

Productivity

Existing research has shown a link between regulation and lower productivity.

One study found that economic productivity would increase by **8%** if compliance costs were halved.[11]

1 Stakeholder insights; 2 Audretsch et al. (2024) *Regulation entrepreneurship quality and quality;* 3 Dove (2023) *One size fits all? The differential impact of federal regulation on early-stage entrepreneurial activity across US states;* 4 Chambers & Munemo (2019) *Regulations, institutional quality and entrepreneurship;* 5 AICD DSI survey data from 2025; 6 Hosono et. al. (2017) *Size dependent policy and firm growth*; 7 McLaughlin & Wong (2025) *The Causal Effect of Regulations on Economic Growth: Evidence from the US States*; 8 Coffey et al. (2020) *The cumulative cost of regulations*; 9 Calomiris et al. (2020) *Measuring the cost of regulation: a text-based approach*; 10 Bai et al. (2019) *Employment Protection, Investment, and Firm Growth*; 11 Morikawa (2023) *Compliance costs and productivity: an approach from working hours. Source:* Mandala analysis.

Compliance is directly costing Australian businesses around $160B per year or 5.8% of GDP

The Commonwealth Government assessed that the cost of compliance in Australia was $65 billion in 2013, equivalent to 4.2 per cent of GDP.[1] By 2024, the regulatory burden on businesses is estimated to have increased to around **$160 billion** or **5.8 per cent of GDP**. There has been a **40% increase** compliance cost as a share of GDP. This represents a $45 billion increase in burden above an equivalent 4.2 per cent of GDP.

There is a substantial and accelerating regulatory burden facing Australian businesses, with compliance costs having more than doubled since the 2013 costing.

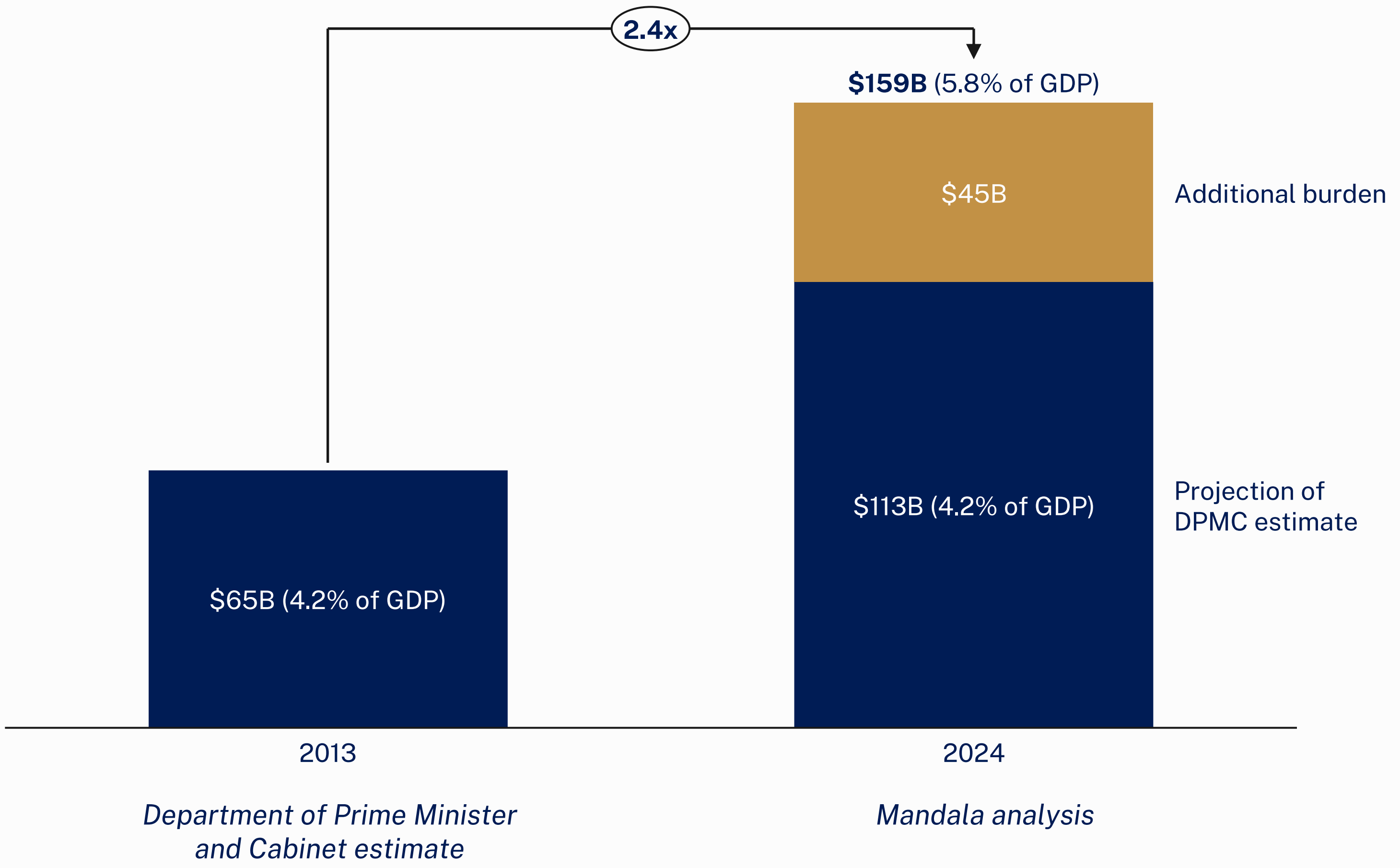
This estimate averages three approaches[2]:

1) Adjusting the 2013 baseline to account for economic growth and the increased volume and complexity of regulation.
2) Adjusting the 2013 baseline for inflation and an increase in compliance roles as a representation of regulatory burden.
3) An estimate of 2024 direct business costs.

1 Department of Prime Minister and Cabinet (2015) *Australian Government annual deregulation report 2014.*
2 Further details on method in appendix.

Estimated cost of compliance with Commonwealth regulations for Australian businesses

$AUD 2024



Source: Department of Prime Minister and Cabinet (2015) *Australian Government annual deregulation report 2014;* Mandala analysis.

Rising compliance intensity is associated with lower investment by Australian firms

Industries allocating a higher share of workers to compliance functions experience significantly lower capital growth when accounting for industry characteristics, conditions over time, and industry workforce size.[1]

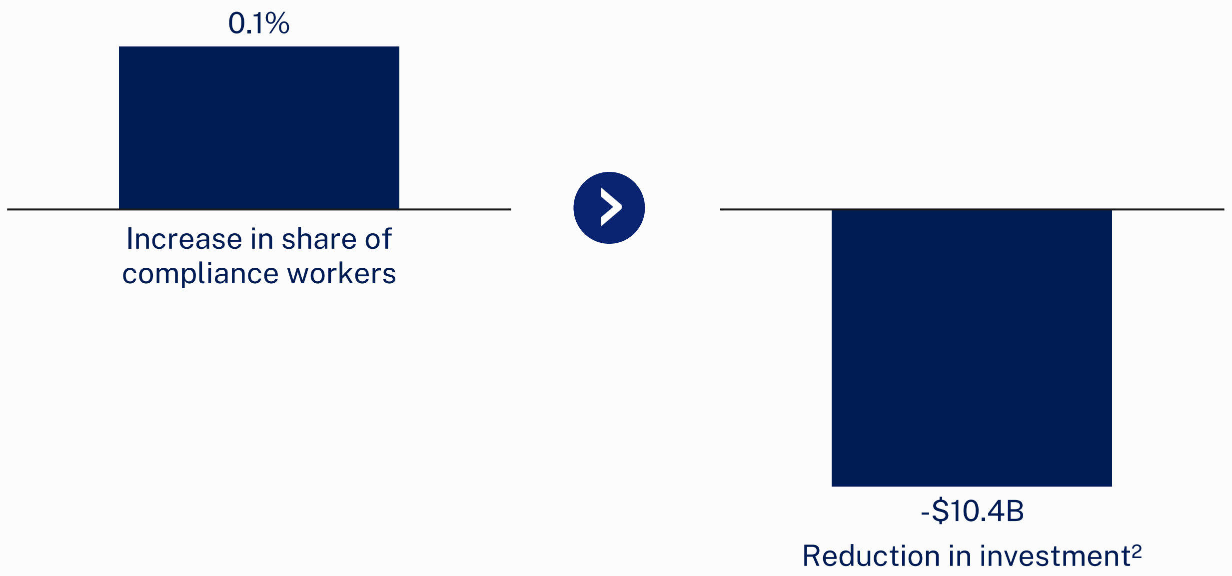
A 0.1 per cent increase in the compliance workforce share is associated with a 2.3 per cent reduction in capital investment growth, representing a $10.4 billion foregone investment in 2025 if compliance intensity increased by just 0.1 percentage points across all industries.

Growth in compliance workforces can redirect cash flow away from investments. These investments, in turn, drive productivity. Over time, we have seen regulatory complexity increase, and businesses allocating greater proportions of their workforce to meet compliance obligations. While compliance functions are essential, they represent overhead costs rather than investments, potentially hampering long term growth.

1 The negative relationship between compliance worker share and investment growth is stable across multiple models.

Impact of an increase in share of compliance workers on investment

%, outputs from regression[1]



Impact on investment

A 0.1% increase in the compliance workforce share is associated with a 2.3% reduction in investment growth.
This is because growth in the compliance workforce increases costs and diverts resources away from investments.

1 Two-way fixed effects panel regression of capital growth on compliance workforce share across 19 Australian industries (2010-2024), controlling for industry fixed effects, time fixed effects, and total employment.
2 Investment is growth in gross fixed capital formation in industry.
Source: Mandala analysis

Compliance thresholds have also been shown to constrain business dynamism and growth

Regulatory compliance has been associated with a rise in 'bunching'. Bunching occurs when firms deliberately limit their size or activity to stay below regulatory thresholds that trigger additional obligations or higher compliance costs. This response to regulation can reduce productivity and distort market dynamics.

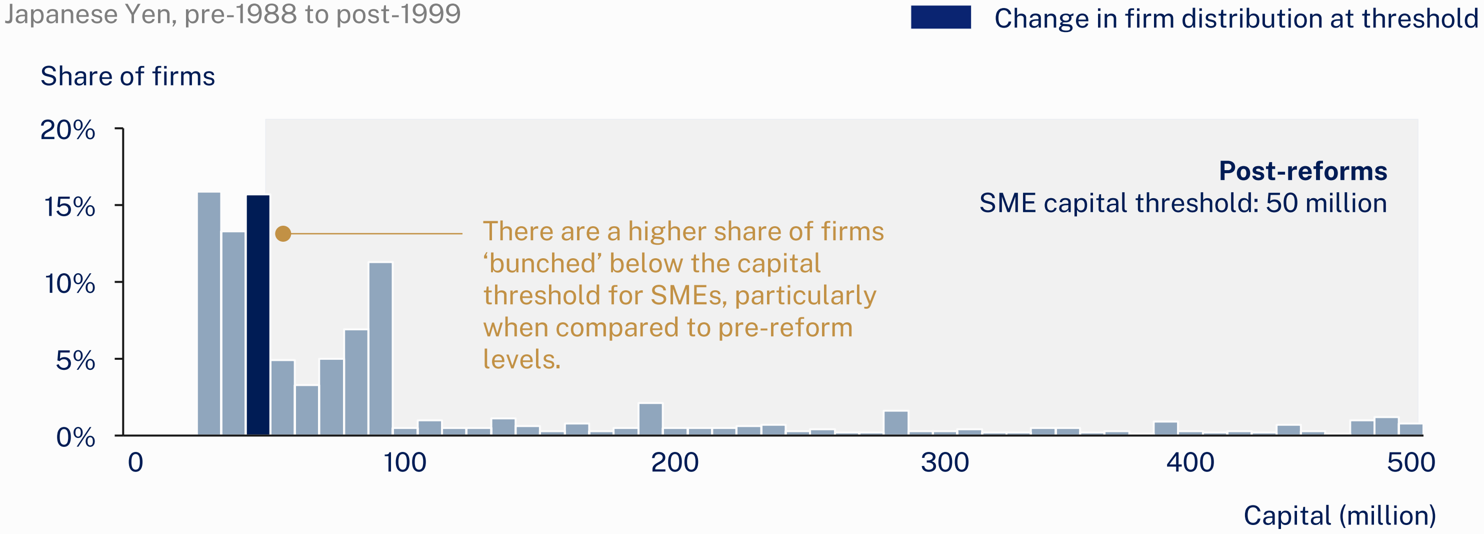
In Japan, researchers observed bunching of firms just below the capital thresholds defining small and medium enterprises (SMEs) in the retail and wholesale industry. When the SME threshold rose from 10 million to 50 million yen, firms adjusted their size accordingly, yet clustering below the new limit persisted. There were also distortions on R&D spending and debt-to-asset ratios around the presence of thresholds.

Similar dynamics emerge in Australia, European Union and the United States.

Source: Hosono et al. (2017) *Size dependent policy and firm growth.*

Observed 'bunching' of retail firms in Japan

Japanese Yen, pre-1988 to post-1999



Evidence on other firm behaviour distortions across economies

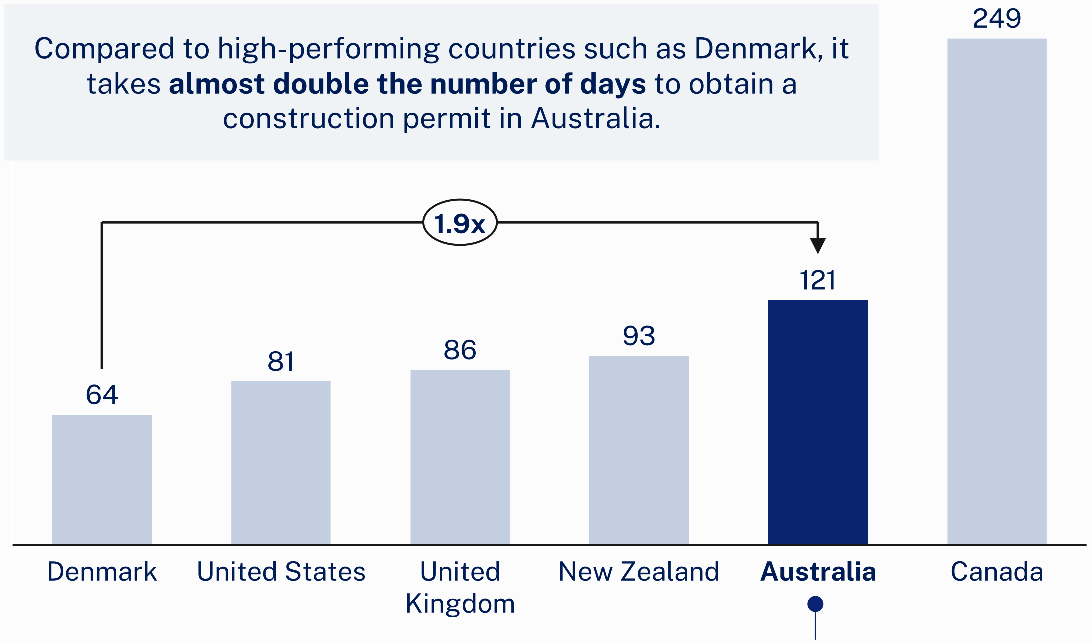
Economies	Industry	Finding
Australia	Labour market – unfair dismissal laws	Stricter, unfair dismissal laws reduced job separations as intended but caused firms to substitute towards 'unprotected' workers such as casuals, capital (e.g. automation) or offshoring. Firm productivity also fell 1.2%.
European Union	Private firms - disclosure requirements	'Bunching' was found in European private firms around size thresholds where disclosure requirements increase. An average firm sacrificed over 6% of its assets on average to minimise proprietary disclosure costs.
United States	Publicly listed firms – disclosure and governance rules	'Bunching' was found at three major regulatory thresholds, where there are increased compliance costs from disclosure and governance requirements if a firm's public float exceeds the threshold.

Source: Hosono et al. (2017) *Size dependent policy and firm growth;* Ewens et al. (2024) *Regulatory costs of being public: Evidence from bunching estimation;* Bernard et al. (2018) *Size management by European private firms to minimise proprietary costs of disclosure;* e61 Institute (2023) *The economic consequences of job dismissal laws.*

Another example of the impact of Australia's compliance burden is long approval times...

Time taken to obtain a construction permit[1]

Number of days, 2019



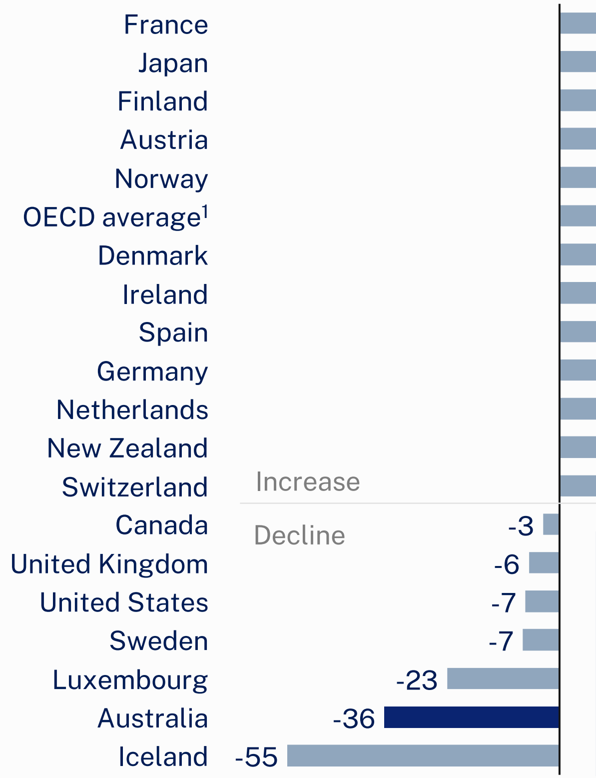
According to the Productivity Commission, the housing construction process in Australia is **complex and subject to heavy regulatory burdens at every step**. Housing developments can take years, and in some cases, decades to complete. Most of this **time is spent obtaining approvals rather than constructing homes.**

1 Measures median time taken to complete all procedures legally required to build a warehouse.
Source: World Bank Group (2019) *Doing Business: Dealing with Construction Permits.* Productivity Commission (2025) *Housing construction productivity: Can we fix it?*

...a key factor in Australia lagging other markets on housing supply

Change in dwellings per 1,000 adults

2000 to 2020, or closest available



- For most OECD countries, housing stock has grown faster than their adult populations in recent decades.
- In contrast, **Australia has seen the second largest decline.**

1 OECD average excludes 8 countries due to data availability. 19 out of the 30 analysed OECD countries are shown in exhibit. Source: Grattan Institute (2025) *More homes, better cities. Letting more people live where they want.*

Adjusting the definition of ‘large proprietary company’ would support a more targeted and proportionate regulatory system

Definition and compliance requirements for large proprietary companies

DEFINITION

A **large proprietary company** in Australia is a privately held company that meets at least two of the following size thresholds under the *Corporations Act 2001*:

1. Consolidated revenue of $50 million or more for the financial year
2. Consolidated gross assets of $25 million or more at the end of the financial year
3. 100 or more employees at the end of the financial year

COMPLIANCE OBLIGATIONS

Large proprietary companies are subject to additional reporting and compliance obligations, including:

Financial, Directors’ & Auditor's Reports

- Must prepare and lodge annual financial statements, a directors’ report, and (usually) an auditor’s report with ASIC.
- The directors’ report outlines key operational and financial details, while the auditor’s report provides an independent opinion on the financial statements.

Climate-Related Financial Disclosures

- Will be required to report on climate-related risks and opportunities under new AASB standards beginning in 2027.
- If no material risks or opportunities are identified, firms are required to disclose this and how they reached this conclusion. This is subject to the same level of assurance.

$1,740 million in total savings over four years if thresholds lifted

=

$710 million in savings over four years if the threshold is raised to the report proposal

+

$1,030 million in savings over four years if the threshold is raised to the report proposal

History of threshold change

1995	2007	2018	*Report proposal*
$10M revenue / $5M assets / 50 employees	$25M revenue / $12.5M assets / 50 employees	$50M revenue / $25M assets / 100 employees	$100M revenue / $50M assets / 100 employees

Source: ASIC (n.d.) *Are you a large or small proprietary company*; Treasury (2018) *Reducing the Finance Burden on Small Business*; EY (2024) *Mandatory climate-related financial disclosures: What you need to know;* ASIC (2025) *Additional steps ASIC will take to bolster economic growth*; Mandala analysis.

Raising reporting thresholds could save the economy $710M over four years

Firms that meet the definition of a large proprietary company must prepare and lodge annual Financial, Directors' and Auditor's Reports to ASIC.[1] This reporting costs the average firm $115,000, based on the estimated cost of audit for large firms.[2]

Raising the revenue threshold for disclosures from $50 million to $100 million and raising the assets threshold from $25 million to $50 million would result in 1,535 fewer companies facing these costs. This would save these firms $177 million a year and would save the economy $710 million over four years.

> *Resetting the thresholds of large proprietary companies is a welcome development for small and mid-size businesses in Australia, lowering the regulatory burden for many entities.*
> *- Global tax company*

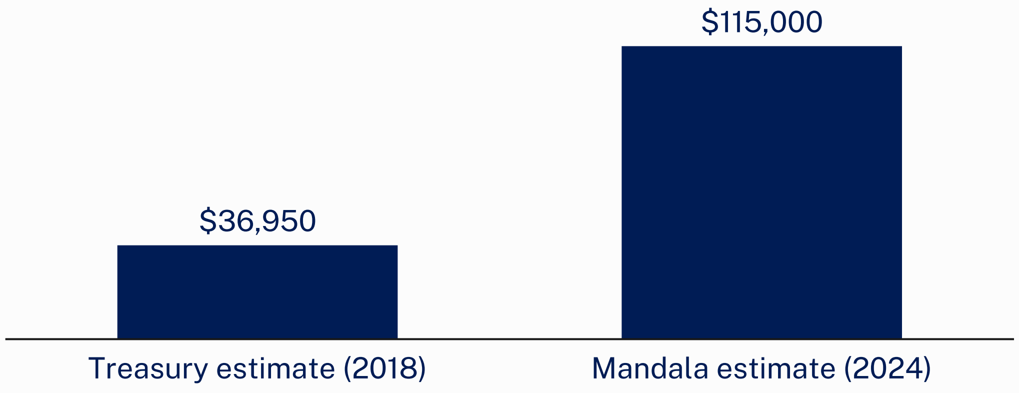
1 See appendix for an overview of other reporting requirements for Australian companies. 2 Rounded value bbased on average of datapoints from stakeholder insights of audit fees comprising 0.156% of annual revenue, with an estimated annual revenue of $75 million for 1,535 companies impacted by the threshold change.
Source: Grant Thornton (2018) *Grant Thornton Australia Submission – Reducing the financial reporting burden by increasing the thresholds for large proprietary companies*; Mandala analysis.

Total savings from raising the threshold to $100M revenue and $50M assets

Annual costs	Cost over four years
$177 million per year	**$710 million** between 2027 and 2031

Estimates by Treasury and Mandala on reporting costs

$, Annual cost of financial, directors' and auditor's reports per firm



Source: Stakeholder insights; Treasury (2018) *Reducing the financial reporting burden for SMEs*; Grant Thornton (2018) *Grant Thornton Australia Submission – Reducing the financial reporting burden by increasing the thresholds for large proprietary companies*; Mandala analysis.

Raising climate disclosure thresholds could save the economy $1B over four years

When climate disclosure begins in FY2027-28, disclosing companies will incur an estimated cost of $443,000 in the first year and $236,000 in subsequent years.

Non-disclosing companies will also face high costs of $252,000 in the first year and $135,000 subsequently. Non-disclosing firms face costs due to the steps necessary to understand their compliance obligations and assess materiality of climate risks. This stands in contrast to Treasury's estimates that non-disclosing firms would not incur compliance costs for climate reporting.

Raising the revenue threshold for disclosures from $50 million to $100 million and raising the assets threshold from $25 million to $50 million would result in 1,535 fewer companies facing these costs. This would save the five per cent of firms that disclose $34 million in the first year and $19 million subsequently. It would also save the non-disclosing firms $344 million in the first year and $197 million subsequently.

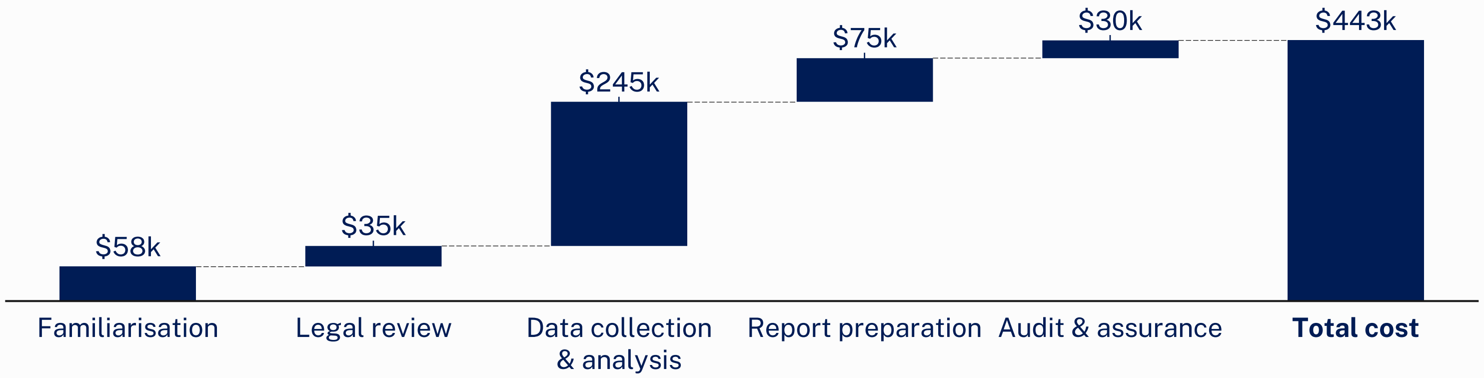
This would save the economy $1,030 million over four years.

Note: Assumes five per cent of firms disclose, as per Treasury analysis. The expected length of a climate report according to Treasury's estimates was around 20 pages, whereas a sample report from several Group 1 entities are around five times that length.

Estimates by Treasury and Mandala on disclosing costs

	Savings from raising threshold to $100M revenue	Firm type	Treasury Estimates	Mandala Estimates
First year	**$378 million** a year	Disclosing	$45k	$443k
		Non-disclosing	$0	$236k
Ongoing	**$216 million** a year	Disclosing	$37k	$252k
		Non-disclosing	$0	$135k
Over 4 years	**$1,030 million**	Disclosing	$156k	$1.198m
		Non-disclosing	$0	$641k

Analysis of cost drivers for Group 3 companies completing their first climate disclosure



Notes: Treasury assumed that reporting costs scale with company size, expecting lower costs for Group 3 firms on the basis that they are smaller and have fewer material climate risks. The estimates assume non-disclosing companies do not have reporting costs, and that disclosing Group 3 companies have a first year cost equal to 0.085 per cent of $53 million in net assets, with ongoing annual costs of $37,000 based on prior analysis of the average cost of a large proprietary company for financial reporting.

Source: Treasury (2023) *Policy Impact Analysis: Climate-related Financial Disclosures*; Chartered Accountants ANZ (2024) *Submission to the Senate Economics Legislation Committee;* Mandala analysis.

AICD recommends reforms that address the existing stock of regulation and future flow of new regulation

AICD regulatory reform recommendations

Existing regulation: stock	**Reduce burden**	Commit to a 25 per cent reduction in regulatory costs by 2030, similar to the UK, publish an economy-wide regulatory stocktake, and issue revised ministerial statements of expectations for regulators to ensure the right balance is achieved between growth and risk.
	Reform reporting requirements	Lift the thresholds for large proprietary companies and Group 3 climate reporting entities. At least 1,500 medium-sized businesses would benefit, saving $1.7 billion over four years.
	Reform financial services regulation	Adopt in full the Australian Law Reform Commission's recommendations to simplify and modernise Australia's financial services laws with dedicated government resourcing.
Future regulation: flow	**Review new regulation**	Strengthen Cabinet scrutiny of new regulation, appoint an independent Office of Impact Analysis commissioner, enforce minimum consultation periods during time periods that are practical for stakeholders, and conduct sector-wide reviews to cut regulatory burden.
	Review post-implementation	Introduce systematic post-implementation reviews to assess the effectiveness and costs/benefits of new regulations and expand the use of legislative sunsetting.
	Reinstate reform advisory body	Reinstate an independent corporate law advisory body - modelled on the former Corporations and Markets Advisory Committee - to deliver long-term, evidence-based reform advice to support Treasury and the Government.

Legislative features used to measure complexity

Legislative complexity refers to complexity in understanding legislation, adding costs for those who interact with it. It can be necessary if legislation deals with complex topics, policies, or stakeholders, or it can be an unnecessary byproduct of the processes of creating legislation and policy.

Legislative features	Impact on complexity
Notional amendments	The number of notional amendments modifying the effect of other legislation creates substantial uncertainty.
Structural elements	The use of more structural elements indicates prescriptiveness.
Penalty provisions	The use of detailed and overlapping offences and civil penalty provisions creates complexity.
Defined terms	While defined terms could help users understand legislation, the current use of defined terms is prescriptive and creates inconsistencies.
Use of legislative instruments	Legislative instruments must be read alongside acts and other legislation. This can help clarify the law, but also adds complexity by reducing navigability, particularly when they are hard to locate.
Interconnectedness	Cross-references within legislation reduce navigability by requiring the reading of other legislation. While cross-references between acts have decreased, which would indicate reduced complexity, it is likely that this does not capture greater interconnectedness between legislative instruments.

Note: Excludes other key drivers of complexity identified by the ALRC, delegated legislative powers and regulatory guidance, due to data availability. ALRC data extends to June 2022.
Source: Australian Law Reform Commission (2022) *DataHub*; Australian Law Reform Commission (2024) *Confronting Complexity: Reforming Corporations and Financial Services Legislation*; Mandala analysis.

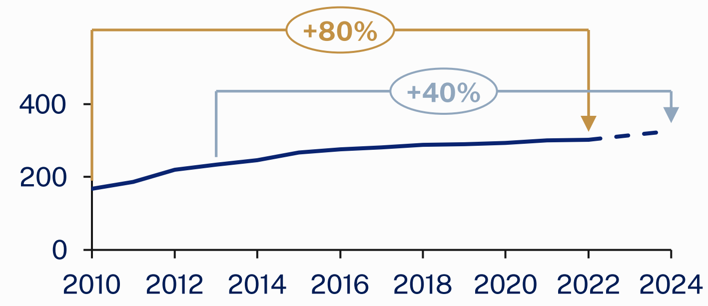
Change in legislative complexity measures

Annual notional amendments relative to the number of total acts

In force principal acts, 2010-2024

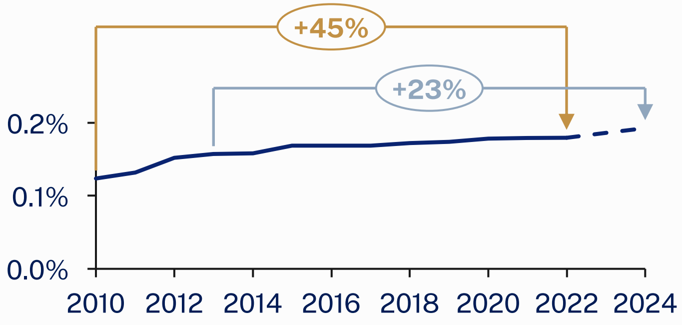
Number of structural elements per act

In force principal acts, 2010-2024



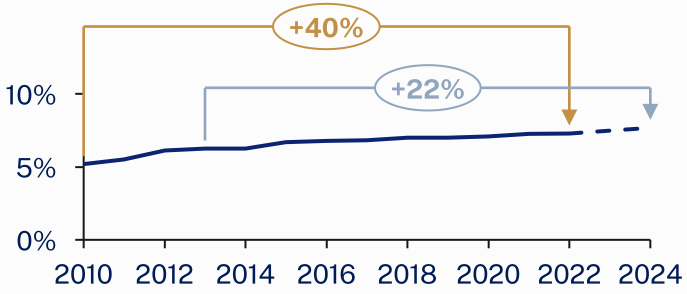
Offences or civil liability language as a proportion of total words in acts

In force principal acts, 2010-2024



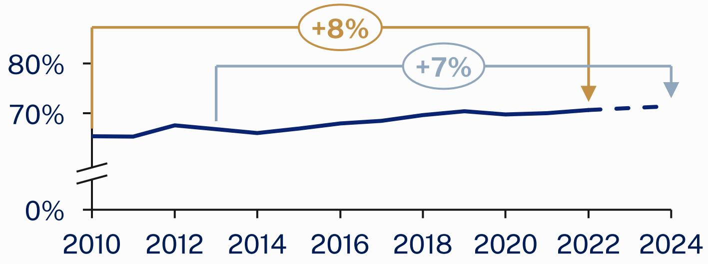
Proportion of words within acts which are defined

In force principal acts, 2010-2024



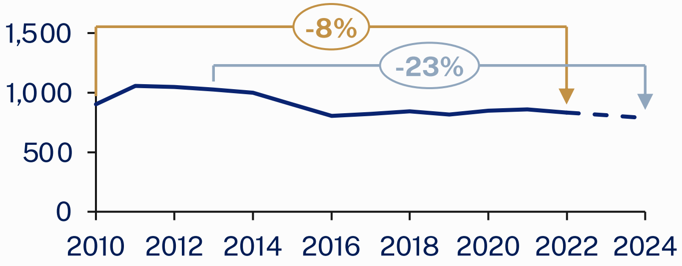
Proportion of pages from legislative instruments

In force principal legislation, 2010-2024



Number of internal and external cross-references per act

In force principal acts, 2010-2024



An aggregate average of six metrics indicates legislative complexity has increased by **141%** between 2010 to 2022 and **35%** between 2013 and 2024. Between 2010 and 2022, there was a doubling of legislative complexity.

Note: Excludes civil aviation except for the measure of internal and external cross-references. 141% average of change in six metrics between 2010 and 2022. 35% average change in six metrics between 2013 and 2024. Values for 2023 and 2024 are based on the average growth rate from 2010 to 2022.
Source: Australian Law Reform Commission (2022) *DataHub;* Mandala analysis.

Cost of compliance: Method 1 and 2

Method 1: Cost of compliance with Commonwealth Government regulations based on increase in volume and complexity

$190B cost = **$113B** cost of compliance with Commonwealth Government regulations in 2024, based on 2013 assessment × **24% increase in volume** of Commonwealth Government regulations between 2013 and 2024 × **Estimated 35% increase in complexity** of Commonwealth Government regulations between 2013 and 2024, based on the average of various metrics

Compliance cost **4.2% of GDP** in 2013 × **$2.7B GDP** in 2024

24% increase in pages: 160,000 pages of regulations within acts and legislative instruments in 2013 to **199,000** pages in 2024

Change in rate of complexity metrics relative to the volume of legislation

- **Notional amendments:** 141% increase
- **Structural elements:** 40% increase
- **Penalty provisions:** 23% increase
- **Defined terms:** 22% increase
- **Legislative instruments:** 7% increase
- **Interconnectedness:** 23% decrease

Method 2: Cost of compliance with Commonwealth Government regulations based on increase in compliance roles

$150B cost = **$88B** cost of compliance with Commonwealth Government regulations based on 2013 assessment, adjusted for inflation × **74% increase in compliance roles** between 2013 and 2024

Compliance cost **$65B** in 2013 × **35%** increase in CPI between 2013 and 2024

74% increase in compliance roles: 30,000 compliance roles in 2013 to 52,000 in 2024

Source: Mandala analysis.

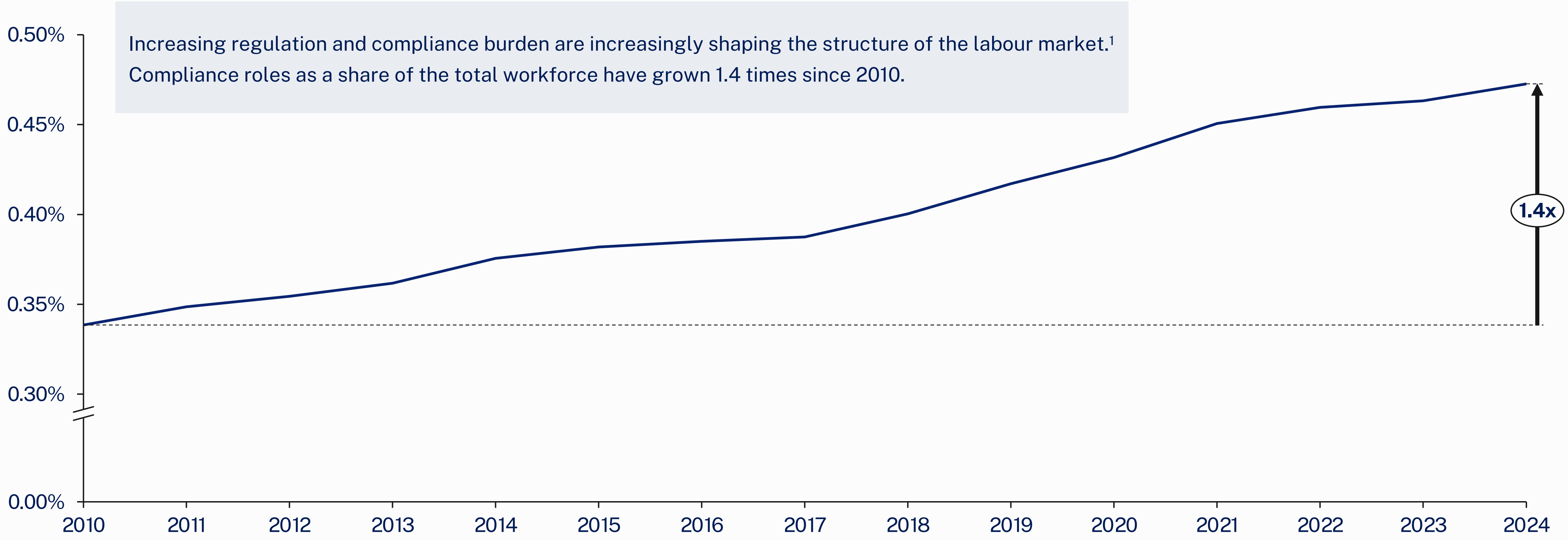
Cost of compliance: Method 3

Category	Costs	Method	Source	2024
Administrative costs	Compliance workers labour costs	52,000 compliance workers x 75% FTE x $145,000 salary	▪ 52,000 compliance workers: Revelio and ABS ▪ Professional occupation FTE is 75% of headcount: ABS ▪ $145,000 blended salary is adjusted for the wage index: Treasury (2023)	**$6B**
	Compliance workers overhead costs	75% of $8B in compliance workers salary	▪ 1.75 overhead multiplier for labour costs: OIA (2024)	**$4B**
Substantive compliance costs	Internal legal workers labour costs	40,000 legal workers not in the professional services industry x 75% FTE x $141,000 blended salary x 23% of time on compliance	▪ 40,000 legal workers: Revelio and ABS, 75% FTE: ABS ▪ $141,000 blended salary: Hays (2024) ▪ 23% of time on compliance: CSBS (2021)[1]	**$1B**
	Internal audit workers labour costs	21,000 audit workers not in the professional services industry x 75% FTE x $135,000 blended salary x 43% of time on compliance	▪ 21,000 audit workers: Revelio and ABS, 75% FTE: ABS ▪ $135,000 blended salary: Hays (2024) ▪ 43% of time on compliance: CSBS (2021) US banking survey	**$1B**
	Internal legal and audit workers overhead costs	75% of $2B in internal legal and audit workers salary	▪ 1.75 overhead multiplier for labour costs: OIA (2024)	**$1.5B**
	Other staff labour costs	Estimated 87 hours of compliance per year per worker x 14,300,000 total workers x average $51 hourly wage • 87 hours of compliance per year per worker = (9.3 hours per small business x 52 weeks x 925,758 small businesses)/5,164,600 small business employees • Excludes 96,000,000 compliance, legal, audit hours	▪ Average 9.3 hours of compliance per small business: NSW Govt. (2024) ▪ 925,758 employing small businesses: ABS (2024) ▪ 5,164,600 small business employees: ABS (2024) ▪ 14,300,000 total workers: ABS (2024) ▪ $51 hourly wage adjusted for taxation and wage price index: OIA (2024), ABS (2024)	**$58B**
	Other staff overhead costs	75% of other staff labour costs	▪ 1.75 overhead multiplier for labour costs: OIA (2024)	**$44B**
	IT Systems costs	$135 billion IT spend x 30% of cost for compliance	▪ $135 billion IT Spend: Gartner (2024) ▪ 24% of cost on compliance: Average of 30% from stakeholder insights and 17% from CSBS (2021) US banking survey	**$41B**
	Legal external services	63,000 legal workers in professional services x 75% FTE x $340,000 revenue per FTE x 23% of time on compliance	▪ 63,000 legal workers: Revelio and ABS, 75% FTE: ABS ▪ $340,000 average revenue fee per FTE (average of $265,054 for smaller firms and $420,595 for larger firms): Macquarie (2024) ▪ 23% of time on compliance: CSBS (2021) US banking survey	**$4B**
	Audit external services	($823M total audit fees/78%) x 43% of time on compliance	▪ $748M ASX300 audit fees adjusted for inflation to $823M: ASIC (2022) ▪ ASX300 estimated to pay 78% of fees: Hossain & Monroe (2022) ▪ 43% of time on compliance: CSBS (2021) US banking survey	**$0.4B**
Total	State cost of compliance	1% of Gross State Product (GSP) for the cost of compliance with State regulations x $2.7B total GSP	▪ GSP: ABS (2024) ▪ Cost of compliance as 1% of GSP: Queensland Treasury (2021)	**$27B**
	Commonwealth cost of compliance	Total cost excluding State cost		**~$130B**

Compliance roles have grown 1.4x as a share of Australia's workforce since 2010, similar to the change modelled in a regression of investment

Compliance-specific roles as a share of total workforce

Percentage of compliance roles, FY10-24



1 AICD (2025) *Confidence in the Australian economy and in business conditions has rebounded in the first half of the year – Director Sentiment Index 1H 2025.*
Source: Revelio data; Mandala analysis.

Regression modelling methodology and details

Variables:

Variable	Type	Value
Compliance burden	Independent variable	Revelio: Proportion of workforce working in compliance by industry, yearly
Growth in investment	Dependent variable	ABS: change in gross capital formation by industry, yearly
Labour force	Control variable	ABS: employment at end of June by industry, yearly

Modelling:

Model specification	Justification	Main effect	Robustness tests	Causality tests	Heterogeneity tests
Two-way fixed effects controlling for workforce size and lagged capital growth	▪ Two-way fixed effects control for time-invariant industry effects and economy-wide impacts. ▪ Lagged dependent variable reduces omitted variable bias and autocorrelation. ▪ Employment control ensures results aren't driven by industry scale differences.	▪ Coefficient = -22.4 (p value = 0.09). ▪ Marginally significant negative relationship: higher compliance workforce share is associated with lower investment growth.	▪ Effect remains negative across six specifications (no outliers, high growth only industries, low growth only industries, only services industries, only goods industries, and first differences). ▪ Moderately unstable across subsamples.	▪ No reverse causality detected, investment growth does not predict future compliance workforce share. ▪ Future compliance does not predict current investment.	▪ Very strong heterogeneity across industries from industry interaction regression.

Additional regressions were run on labour productivity, multifactor productivity, business entry and net business entry. However, either no statistically significant relationships were found, or regressions exhibited omitted variable bias.

Source: Mandala analysis.

Methodology for assessing compliance costs for climate disclosures I/II

Component	Sub-component	Disclosing companies		Non-disclosing companies		Method/source
		First year	On-going	First year	On-going	
Familiarisation	Familiarisation and education costs	$58,480 - 50% of Treasury method for Group 1 firms	$0	$58,480 - 50% of Treasury method for Group 1 firms	$0	Assumes no ongoing training cost. Treasury costing assumes 200 pages of guidance read at 6 minutes per page by 3 executives, 15 managers and 25 analysts.
Legal review	Legal review	$35,000	$23,333	$35,000	$23,333	Stakeholder consultation with major law firm suggested cost of 70k, took 50% of this assumption.
Data collection and analysis	System changes & data collection	$122,500 - 25% of Treasury method for Group 1 firms	$81,677 - 25% of Treasury method for Group 1 firms	$122,500 - 25% of Treasury method for Group 1 firms	$81,677 - 25% of Treasury method for Group 1 firms	Treasury costing assumes one full time analyst and a full-time manager. ESG Software stakeholders suggested this would cost ~200k and that prominent consulting firms would charge ~300k.
	Scenario analysis	$61,250 - 25% of Treasury method for Group 1 firms	$40,833 - 25% of Treasury method for Group 1 firms	$0	$0	Treasury costing assumes one full time analyst.
	Scope 3 assessment	$61,250 - 25% of Treasury method for Group 1 firms	$40,833 - 25% of Treasury method for Group 1 firms	$0	$0	Treasury costing assumes one full time analyst.
Report preparation	Report preparation	$74,800 - 50% of Treasury method for Group 1 firms	$24,933 - 25% of Treasury method for Group 1 firms	$0	$0	Treasury costing assumes a report of 20 pages with 5 analysts, 3 managers, and 3 executives involved in preparation. Each page is expected to take 5 hours to prepare.
Assurance	Assurance	$30,000	$40,000	$20,000	$30,000	Treasury estimated assurance costs between $42k and $83k. The estimate comes from CA ANZ estimates of $20-50k of assurance costs for both disclosing and non-disclosing entities. Low end used for non-disclosing and average used for disclosing. Assurance assumed to phase in, with more limited requirements for emissions assurance initially based on the AUASB draft assurance timeline.

Source: Treasury (2023) *Policy Impact Analysis Climate-related financial disclosures*; Chartered Accountants ANZ (2024) *Submission to the Senate Economics Legislation Committee*; Stakeholder consultation; AUASB (2025) *Consultation Paper: Assurance over Climate and Other Sustainability Information*; Mandala analysis.

Methodology for assessing compliance costs for climate disclosures II/II

Assumption	Detail
Labour costs	$245k per year, including overheads. This includes a $140k per FTE blended salary based on the Hays Salary Guide and the standard overhead multiplier (1.75).
Proportion of firms disclosing	5% based on the Treasury assumption for Group 3 companies.
Number of firms	1,535 companies based on ASIC submission to Treasury. This is an ASIC estimate of the number of companies which would no longer need to report if thresholds for a large proprietary company were adjusted to $100 million revenue and $50 million assets (up from $50 million revenue and $25 million assets).
Ongoing rates	Treasury assumes discounts of 1/3 applied to legal review, data collection, scenario analysis and scope 3 modelling. Preparation of the climate report is expected to have a 2/3 discount for ongoing years. We have used these same rates to compare year one to ongoing compliance requirements.
Non-disclosing firms	Assumed they will face familiarisation, legal review, data collection and assurance costs. This contrasts with Treasury assumptions. These costs are assumed to be incurred as work needs to be done to determine whether a disclosure is necessary, including director sign-off per the legislation. This was also discussed in the CA ANZ submission.

Source: Treasury (2023) *Policy Impact Analysis Climate-related financial disclosures*; ASIC (2025) *Additional steps ASIC will take to bolster economic growth;* Stakeholder consultation; Mandala analysis.

Studies of the costs of compliance have produced a range of estimates

Country	Metric	Cost	Cost % of GDP	Method
Australia	Productivity Commission: Cost of compliance in 2006	$3 billion	4%	▪ **International study estimate:** Assessed costs up to 4% of GDP based on summary of other estimates ranging from 1.6-3.6% for other countries to 1.4-3.6% for Australia.
	Australian Government: Cost of compliance in 2013	$65 billion	4.2%	▪ **Direct cost assessment:** Commonwealth Portfolio assessment of the costs of complying with their rules and regulations.
	Institute of Public Affairs: Lost GDP due to compliance in 2016	$176 billion	11%	▪ **Regression:** Regression of real GDP per capita and regulatory burdens using Crain and Crain's regression approach.
United Kingdom	UK Government: Cost of administrative burden in 2024	£22.4 billion (median of £19 - £25.9 billion)	0.8%	▪ **Administrative cost estimate:** Average of two estimates. ▪ Lower estimate based on the unit administrative burden for businesses (time businesses spend dealing with regulation multiplied by wages) and the number of businesses. ▪ Upper estimate based on assuming the line of best fit in unit administrative burden from 2016-2024 extends back to the 2010 estimate. ▪ This estimate focuses on administrative costs such as the time spent filling in forms related to regulation. It does not include substantive compliance costs, which can include costs such as direct labour to complete the activities required to achieve regulatory compliance.
United States	Trebbi et al: Cost of compliance in 2014	$289 billion	1.6%	▪ **Labour cost of compliance-specific workers and capital equipment costs.**
	Crain and Crain: Cost of compliance in 2022	$3.079 trillion	12%	▪ **Regression:** Regression of real GDP per capita and regulatory burdens.
	Crews: Cost of compliance in 2021	$1.927 trillion	8%	▪ **Placeholder estimate:** Addition of recent regulatory costs to a baseline, comprised of GDP and compliance cost estimates.
Japan	Morikawa: Cost of compliance in 2021	67 trillion yen	12.4%	▪ **Labour cost assessment:** Total cost of labour multiplied by 23.3% of compliance-related working hours.

Notes: Explanations of categories of compliance costs can be found in OECD (2014) *OECD Regulatory Compliance Cost Assessment Guide* and Australian Government (2020) *Regulatory Burden Measurement Framework.*

Source: Productivity Commission (2006) *Potential Benefits of the National Reform Agenda;* Department of Prime Minister and Cabinet (2015) *Australian Government annual deregulation report 2014;* Institute of Public Affairs (2016) *The $176 Billion tax on our prosperity;* HM Treasury (2025) *Technical Annex – 25% Target Methodology (Annex A);* UK Parliament (2025) *GDP: Economic indicators;* UK Cabinet Office (2005) *Measuring Administrative Costs: UK Standard Cost Model;* Manual Crain and Crain (2023) *The Cost of Federal Regulation to the U.S. Economy, Manufacturing and Small Business;* Morikawa (2023) *Compliance costs and productivity: an approach from working hours;* Crews (2022) *Ten Thousand Commandments An Annual Snapshot of the Federal Regulatory State.*

Mandatory, non-taxation reporting in Australia operates across three pillars, financial integrity, climate impact, and social standards

	Financial integrity	Climate impact	Social standards
OVERVIEW	Mandatory financial reporting protects investors by ensuring accurate disclosure of financial performance, underpinning market integrity.	Environmental reporting reflects Australia's international climate commitments and Paris Agreement alignment.	Social responsibility addresses systemic inequality and human rights risks by mandating transparency, leveraging public disclosure to drive change.
REQUIREMENTS	▪ **Financial, director's and auditor's reports:** Companies must prepare and lodge annual financial statements, a director's report and an auditor's report with ASIC.	▪ **NGER annual reporting:** Entities meeting thresholds must report emissions and energy data. ▪ **Climate financial disclosures:** certain companies are required to report on climate-related risks and opportunities.	▪ **Gender equality reporting:** companies must report annually against a set of standardised gender equality indicators. ▪ **Modern slavery statements:** Companies must publish annual statements addressing mandatory criteria on supply chain risks.

Source: ASIC (n.d.) *Are you a large of small proprietary company?*; CER (2025) *National Greenhouse and Energy Reporting Scheme;* EY (2024) *Mandatory climate-related financial disclosures*; WGEA (n.d.) *Reporting guide;* Attorney-General's Department (n.d.) *Modern Slavery Act.*

References I/IV

- ABS (2025) *Australian Industry*, available at: https://www.abs.gov.au/statistics/industry/industry-overview/australian-industry/latest-release#data-downloads
- ABS (2025) *Australian National Accounts*, available at: https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-national-income-expenditure-and-product/jun-2025#data-downloads
- ABS (2024) *Australian National Accounts: State Accounts*, available at: https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-state-accounts/latest-release#data-downloads
- ABS (2024) *Labour Force, Australia, Detailed*, available at: https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release
- ABS (2025) *Counts of Australian Businesses, including Entries and Exits*, available at: https://www.abs.gov.au/statistics/economy/business-indicators/counts-australian-businesses-including-entries-and-exits/latest-release
- ABS (2024) *Wage Price Index, Australia*, available at: https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/latest-release
- AICD (2015) *Director Sentiment Index: Research Findings First Half 2015, available at:* https://www.aicd.com.au/content/dam/aicd/pdf/news-media/research/2015/DSI%20First%20half%20final_May%202015.pdf
- AICD (2025) *Confidence in the Australian economy and in business conditions has rebounded in the first half of the year – Director Sentiment Index 1H 2025*, available at: https://www.aicd.com.au/economic-news/australian/outlook/director-sentiment-index-1h25.html
- AICD (2025) Director Sentiment Index 2H 2025, available at: https://www.aicd.com.au/news-media/research-and-reports/director-sentiment-index.html
- AICD (2025) *The legal burden of being a director in Australia*, available at: https://www.aicd.com.au/board-of-directors/duties/the-legal-burden-of-being-a-director-in-australia.html
- AIHW (2024) *COVID-19*, available at: https://www.aihw.gov.au/reports/australias-health/covid-19
- APO (2015) *Australian Government annual deregulation report 2014*, available at: https://apo.org.au/node/53800
- APRA (2025) *Prudential Standard CPS 230 Operational Risk Management*, available at: https://www.apra.gov.au/sites/default/files/2023-07/Prudential%20Standard%20CPS%20230%20Operational%20Risk%20Management%20-%20clean.pdf
- ASIC (2025) *Additional steps ASIC will take to bolster economic growth*, available at: https://www.finance.gov.au/sites/default/files/2025-08/Treasury%20-%20ASIC%20-%20Supplementary%20Response%20Letter%20-%20J%20Longo_Redacted_0.pdf
- ASIC (2019) *ASIC's approach to enforcement after the Royal Commission*, available at: https://www.asic.gov.au/about-asic/news-centre/speeches/asic-s-approach-to-enforcement-after-the-royal-commission/#:~:text=We%20no%20longer%20need%20to%20rely%20on%20legislative%20reform%20alone
- ASIC (n.d.) *Are you a large or small proprietary company*, available at: https://www.asic.gov.au/regulatory-resources/financial-reporting-and-audit/preparers-of-financial-reports/are-you-a-large-or-small-proprietary-company/
- ASIC (n.d.) *Whistleblowing*, available at: https://www.asic.gov.au/about-asic/asic-investigations-and-enforcement/whistleblowing/
- ASIC (2022) Audit inspection report, Report 743, available at: https://download.asic.gov.au/media/up0fmjmy/rep743-published-28-october-2022.pdf
- ATO (n.d.) *Overview*, available at: https://www.ato.gov.au/about-ato/research-and-statistics/in-detail/tax-gap/a-h-tax-gaps/goods-and-services-tax-gap/overview
- ATO (2024) *Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024*, available at: https://www.ato.gov.au/law/view/pdf/acts/20240087.pdf
- Attorney-General's Department (n.d.) *Modern Slavery Act*, available at: https://www.ag.gov.au/crime/modern-slavery/modern-slavery-act
- Attorney-General's Department (2024) *A Guide to Framing Commonwealth Offences, Infringement Notices and Enforcement* Powers, available at: https://www.ag.gov.au/legal-system/publications/guide-framing-commonwealth-offences-infringement-notices-and-enforcement-powers
- AUASB (2025) *Consultation Paper: Assurance over Climate and Other Sustainability Information, available at:* https://auasb.gov.au/media/pkhjwypc/consultation-paper_assuranceoverclimateandothersustainabilityinformat_reissue.pdf
- Audretsch et al., (2024) *Regulation entrepreneurship quality and quality*, available at: https://doi.org/10.1016/j.respol.2023.104942
- Australian Government (2020) *Regulatory Burden Measurement Framework*, available at: https://oia.pmc.gov.au/sites/default/files/2022-06/regulatory-burden-measurement-framework-mar20-2.pdf
- Australian Government (2025) *Aged Care Act 2024*, available at: https://www.legislation.gov.au/C2024A00104/latest/versions
- Australian Government (2024) *Australian Prudential Regulation Authority Act 1998*, available at: https://www.legislation.gov.au/C2004A00310/latest/versions
- Australian Government (2025) *Australian Securities and Investments Commission Act 2001*, available at: https://www.legislation.gov.au/C2004A00819/latest/text
- Australian Government (2025) *Clean Energy Regulator Act 2011*, available at: https://www.legislation.gov.au/C2011A00163/latest/text
- Australian Government (2025) *Corporations Act 2001*, available at: https://www.legislation.gov.au/C2004A00818/latest/text
- Australian Government (2024) *Disability Services and Inclusion Act 2023*, available at: https://www.legislation.gov.au/C2023A00107/latest/text
- Australian Government (2025) *Fair Work Act 2009*, available at: https://www.legislation.gov.au/C2009A00028/latest/text
- Australian Government (n.d.) *Federal Register of Legislation*, available at: https://www.legislation.gov.au/
- Australian Government (2024) *Modern Slavery Act 2018*, available at: https://www.legislation.gov.au/C2018A00153/latest/text
- Australian Government (2024) *Regulatory Burden Measurement Framework*, available at: https://oia.pmc.gov.au/sites/default/files/2024-02/regulatory-burden-measurement-framework.pdf

References II/IV

- Australian Government (2025) *Regulatory reform to reduce red tape and ease burden on businesses*, available at: https://www.finance.gov.au/publications/ministerial-statements/regulatory-reform-reduce-red-tape-and-ease-burden-businesses
- Australian Government (2025) *National Disability Insurance Scheme Act 2013*, available at: https://www.legislation.gov.au/C2013A00020/latest/text
- Australian Government (2025) *National Greenhouse and Energy Reporting Act 2007*, available at: https://www.legislation.gov.au/C2007A00175/latest/text
- Australian Law Reform Commission (2021) *Complexity and Legislative Design (FSL2)*, available at: https://www.alrc.gov.au/publication/fsl2/
- Australian Law Reform Commission (2022) *DataHub*, available at: https://www.alrc.gov.au/datahub/
- Australian Law Reform Commission (2022) *Financial Services Legislation: Interim Report B (ALRC Report 139)*, available at: https://www.alrc.gov.au/publication/fsl-report-139/
- Australian Law Reform Commission (2024) *Confronting Complexity: Reforming Corporations and Financial Services Legislation (ALRC Report 141)*, available at: https://www.alrc.gov.au/publication/fsl-report-141/
- Australian Government (2025) *Workplace Gender Equality Act 2012*, available at: https://www.legislation.gov.au/C2004A03332/latest/text
- Bai et al. (2019) *Employment Protection, Investment, and Firm Growth*, available at: https://dx.doi.org/10.2139/ssrn.2705066
- Bernard et al. (2018) *Size management by European private firms to minimise proprietary costs of disclosure*, available at: https://lbsresearch.london.edu/id/eprint/965/1/BernardD_Jrl_Acc&Eco_Size_management_aam.pdf
- Brookings (2025) *Tracking regulatory changes in the second Trump administration*, available at: https://www.brookings.edu/articles/tracking-regulatory-changes-in-the-second-trump-administration/
- Calomiris et al. (2020) *Measuring the cost of regulation: a text-based approach*, available at: https://doi.org/10.3386/w26856
- CER (2025) *National Greenhouse and Energy Reporting Scheme*, available at: https://cer.gov.au/schemes/national-greenhouse-and-energy-reporting-scheme
- Chambers & Munemo (2019) *Regulations, institutional quality and entrepreneurship*, available at: https://doi.org/10.1007/s11149-019-09377-w
- Chartered Accountants ANZ (2024) *Submission to the Senate Economics Legislation Committee*, available at: https://www.charteredaccountantsanz.com/news-and-analysis/advocacy/policy-submissions/submission-to-the-senate-economics-legislation-committee
- Coffey et al. (2020) *The cumulative cost of regulations*, available at: https://doi.org/10.1016/j.red.2020.03.004
- Crain and Crain (2023) *The Cost of Federal Regulation to the U.S. Economy, Manufacturing and Small Business, available at: https://www.nam.org/wp-content/uploads/2023/11/NAM-3731-Crains-Study-R3-V2-FIN.pdf*
- Crews (2022) *Ten Thousand Commandments An Annual Snapshot of the Federal Regulatory State, available at: https://cei.org/studies/ten-thousand-commandments-2022/*
- CSBS (2021) Community Banking in the 21st Century, available at: https://www.csbs.org/sites/default/files/2024-06/CBRC%20pubs/cb21publication_2021%20(1).pdf
- Department of Prime Minister and Cabinet (2015) *Australian Government annual deregulation report 2014*, available at: https://apo.org.au/node/53800
- Dove (2023*) One size fits all? The differential impact of federal regulation on early-stage entrepreneurial activity across US states*, available at: https://dx.doi.org/10.2139/ssrn.4328801
- European Commission (2025) *Better regulation*, available at: https://commission.europa.eu/law/law-making-process/better-regulation_en
- Ewens et al. (2024) *Regulatory costs of being public: Evidence from bunching estimation*, available at: https://www.sciencedirect.com/science/article/abs/pii/S0304405X23002155
- EY (2024) *Mandatory climate-related financial disclosures: What you need to know*, available at: https://www.ey.com/content/dam/ey-unified-site/ey-com/aus-nzl/documents/pdfs/mandatory-climate-related-financial-disclosures-what-you-need-to-know.pdf
- e61 Institute (2023) *The economic consequences of job dismissal laws*, available at: https://e61.in/wp-content/uploads/2023/10/No-free-lunch-The-economic-consequences-of-job-dismissal-laws-main-note-20231026.pdf
- Gartner (2024) *Gartner Forecasts IT Spending in Australia to Grow 8.7% in 2025*, available at: https://www.gartner.com/en/newsroom/press-releases/2024-09-11-gartner-forecasts-it-spending-in-australia-to-grow-almost-9-percent-in-2025
- Grant Thornton (2018) *Grant Thornton Australia Submission – Reducing the financial reporting burden by increasing the thresholds for large proprietary companies*, available at: https://treasury.gov.au/sites/default/files/2019-04/c2019-t342318-grant_thornton.pdf
- Grattan Institute (2025) *More homes, better cities: Letting more people live where they want*, available at: https://grattan.edu.au/report/more-homes-better-cities/
- Government of Canada (2025*) Red tape review: summary and next steps*, available at: https://www.canada.ca/en/government/system/laws/developing-improving-federal-regulations/red-tape-reduction-office/red-tape-review/red-tape-review-summary-and-next-steps
- Government of Canada (2025) *Red tape reduction act*, available at: https://www.canada.ca/en/government/system/laws/developing-improving-federal-regulations/modernizing-regulations/red-tape-reduction-act
- Hays (2024) *Salary Guide FY24/25*, available at: https://www.hays.com.au/documents/276732/1102429/Hays+Salary+Guide+FY24-25.pdf
- HM Treasury (2025) *Regulation Action Plan – Progress Update and Next Steps*, available at: https://www.gov.uk/government/publications/a-new-approach-to-ensure-regulators-and-regulation-support-growth/regulation-action-plan-progress-update-and-next-steps#challenging-and-shifting-excessive-risk-aversion-in-the-system
- HM Treasury (2025) *Technical Annex – 25% Target Methodology (Annex A)*, available at: https://assets.publishing.service.gov.uk/media/68f64a83f5d433238a14c7f7/Annex_A_Technical_Annex_FINAL.pdf

References III/IV

- Hosono et al. (2017) *Size dependent policy and firm growth*, available at: https://www.rieti.go.jp/jp/publications/dp/17e070.pdf
- Hossain & Monroe (2022) *Audit Market Structure, Concentration, and Competition in Australia 2019-2022*, available at: https://www.cpaaustralia.com.au/-/media/project/cpa/corporate/documents/tools-and-resources/environmental-social-governance/climate-change-environmental-policy/audit-market-structure-concentration-and-competition-in-australia-2019-2022-final-report.pdf
- Institute of Public Affairs (2016) *The $176 Billion tax on our prosperity*, available at: https://ipa.org.au/wp-content/uploads/The-176-Billion-Tax-On-Our-Prosperity.pdf
- JSA (2025) *Jobs and Skills* Atlas, available at: https://www.jobsandskills.gov.au/jobs-and-skills-atlas/industry?regionType=state&regionValue=5&regionMetric=pop&industryMetric=summary&industryFocus=06&occupationMetric=employment&occupationFocus=3312
- Macquarie (2024) *Leveraging strength for sustainable growth: 2024 Legal benchmarking report*, available at: https://www.macquarie.com.au/assets/bfs/documents/business-banking/bb-legal-industry/legal-benchmarking-report-2024.pdf
- McLaughlin & Wong (2025) *The Causal Effect of Regulations on Economic Growth: Evidence from the US States*, available at: https://dx.doi.org/10.2139/ssrn.5191651
- Morikawa (2023) *Compliance costs and productivity: an approach from working hours*, available at: https://doi.org/10.1007/s11149-023-09460-3
- NSW Government Small Business Commissioner (2024) *Rightsizing regulation*, available at: https://www.smallbusiness.nsw.gov.au/sites/default/files/2024-10/Rightsizing%20Regulation%20-%20Final%20report.pdf
- OECD (n.d.) *GDP per hour worked (Index 2015 = 100, USD, PPP converted, Constant prices, 2020)*, available at: https://www.oecd.org/en/data/indicators/gdp-per-hour-worked.html
- OECD (2014) *OECD Regulatory Compliance Cost Assessment Guide*, available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2014/04/oecd-regulatory-compliance-cost-assessment-guidance_g1g400de/9789264209657-en.pdf
- OECD (2023) *Product Market Regulation*, available at: https://www.oecd.org/en/topics/sub-issues/product-market-regulation.html
- OECD (2023) *Productivity Database*, available at: https://www.oecd.org/en/publications/oecd-compendium-of-productivity-indicators-2025_b024d9e1-en/full-report/cross-country-comparisons-of-labour-productivity-levels_b2fdb493.html#figure-d1e2913-0848c8712f
- Parliament of Australia (n.d.) *Climate Change Bill 2022*, available at: https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bId=r6885
- Parliament of Australia (n.d.) *Delegated legislation*, available at: https://www.aph.gov.au/About_Parliament/House_of_Representatives/Powers_practice_and_procedure/Practice7/HTML/Chapter10/Delegated_legislation
- Parliament of Australia (n.d.) *Financial Sector Reform (Haynes Royal Commission Response) Bill 2020*, available at: https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bId=r6630
- Parliament of Australia (n.d.) *Financial Sector Reform (Haynes Royal Commission Response No. 2) Bill 2020*, available at: https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bId=r6654
- Productivity Commission (2006) *Potential Benefits of the National Reform Agenda*, available at: https://assets.pc.gov.au/research/completed/national-reform-agenda/nationalreformagenda.pdf
- Productivity Commission (2025) *Creating a more dynamic and resilient economy – Interim report*, available at: https://assets.pc.gov.au/2025-09/resilient-economy-interim.pdf?VersionId=Ar1xYanKIy5NpOmp39TejMJSXXfJSo9_
- Productivity Commission (2025) *Housing construction productivity: Can we fix it?*, available at: https://www.pc.gov.au/inquiries-and-research/housing-construction/
- Queensland Productivity Commission (2021) *Research Paper: Improving regulation*, available at: https://www.treasury.qld.gov.au/files/Research-Improving-Regulation.pdf
- Reserve Bank of Australia (n.d.) *The Global Financial Crisis*, available at: https://www.rba.gov.au/education/resources/explainers/the-global-financial-crisis.html
- Royal Commissions (n.d.) *Misconduct in the Banking, Superannuation and Financial Services Industry*, available at: https://www.royalcommission.gov.au/banking
- The Treasury (n.d.) *Consultations*, available at: https://treasury.gov.au/consultation
- The Treasury (n.d.) *Financial System Inquiry (Wallis)*, available at: https://treasury.gov.au/review/financial-system-inquiry
- The Treasury (n.d.) *Financial System Inquiry (Murray)*, available at: https://treasury.gov.au/review/financial-system-inquiry-murray
- The Treasury (2023) *Policy Impact Analysis: Climate-related financial disclosure*, available at: https://treasury.gov.au/sites/default/files/2024-01/c2024-466491-pia.pdf
- The Treasury (n.d.) *Reducing the financial reporting burden for SMEs*, available at: https://treasury.gov.au/small-business/frt/factsheet
- The Treasury (n.d.) *Updated amendments to the design and distribution obligations*, available at: https://treasury.gov.au/sites/default/files/2021-09/c2019-t408904-206688.pdf
- Thomas Reuters (2024) *Australia State of the Legal Market 2024*, available at: https://images.thomsonreuters.com/Web/TRlegalUS/%7Bc939d9e0-6b4a-4308-a840-43765d3cf978%7D_2024_Australia_State_of_the_Legal_Market.pdf
- Thomas Reuters (2025) *Australia State of the Legal Market 2025, available at: https://images.thomsonreuters.com/Web/TRlegalUS/%7B3f47accd-b2e2-42a0-adc7-04db8db9e79d%7D_2025_Australia_State_of_the_Legal_Market_-_Web_1.pdf*
- Trebbi et al. (2023) *The Cost of Regulatory Compliance in the United States*, available at: https://ftrebbi.com/research/TZS.pdf
- UK Cabinet Office (2005) *Measuring Administrative Costs: UK Standard Cost Model*, available at: https://regulatoryreform.com/wp-content/uploads/2015/02/UK-Standard-Cost-Model-handbook.pdf

References IV/IV

- UK Parliament (2025) *Gross Domestic product (GDP): Economic indicators,* available at: https://commonslibrary.parliament.uk/research-briefings/sn02783/
- WGEA (n.d.) *Reporting Guide*, available at: https://www.wgea.gov.au/reporting/reporting-guide
- White House (2025) *Directing the repeal of unlawful regulations,* available at: https://www.whitehouse.gov/presidential-actions/2025/04/directing-the-repeal-of-unlawful-regulations/
- World Bank Group (2019) *Dealing with Construction Permits*, available at: https://archive.doingbusiness.org/en/data/exploretopics/dealing-with-construction-permits

MANDALA