

## Business Council Calls for \$110 Billion Red Tape Cut to Revive Australia's Productivity

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— Categories: Economics



Australia's business community has urged the federal government to address what it describes as high regulatory compliance costs, calling for a 25% reduction in red tape, estimated at \$110 billion, by 2030. The Business Council of Australia (BCA) highlighted that compliance costs may affect productivity and business activity, particularly as the nation faces slower productivity growth in recent years.

In a detailed submission to Treasurer Jim Chalmers ahead of a forthcoming economic reform roundtable, the BCA presented 62 examples of overlapping or conflicting regulations, noting that these examples represent only a portion of the broader issue. The council recommends the creation of a dedicated “better regulation minister” tasked with overseeing the removal of unnecessary compliance measures, ensuring that regulations serve their intended purpose without creating additional barriers for businesses.

The council identifies several priority areas for review. Harmonising state and territory regulations is a key recommendation, aimed at reducing inefficiencies that arise when businesses navigate different rules across jurisdictions. The BCA also calls for changes to retail trading and delivery hour restrictions, stating that updating these rules could increase flexibility for consumers. Additionally, the council cites environmental regulations affecting housing and infrastructure projects, recommending a review to balance compliance with efficient project delivery.

Treasurer Chalmers acknowledged the council’s input, noting that regulatory modernization is an ongoing concern. He emphasized the government’s interest in fostering a competitive business environment but did not commit to specific measures. The upcoming roundtable discussions will allow stakeholders to present detailed proposals and for the government to outline its approach to regulatory issues.

The BCA’s submission comes as Australia experiences slower wage growth and modest productivity increases, which may influence economic performance. The council notes that reducing unnecessary regulatory requirements could allow businesses to allocate resources to investment and operations.

By proposing a structured, measurable review of compliance costs, the BCA aims to provide a framework for evaluating regulatory efficiency—one that maintains protections for public safety, environmental standards, and market fairness while potentially easing administrative burdens on businesses. The report emphasizes that implementing reforms will require cooperation between federal and state governments, business leaders, and industry stakeholders.

The business community's recommendations highlight ongoing discussions about maintaining competitiveness in a global economy. With technological advancements, evolving consumer expectations, and international competition influencing domestic markets, regulatory efficiency is increasingly considered an important factor in economic performance.

As the government prepares to engage with business leaders at the roundtable, the outcome of these discussions may influence Australia's regulatory framework over the coming years. The BCA's recommendations aim to provide guidance for future reforms, supporting business operations and economic productivity.