



Budget 2026–27

Whole-of-Government Regulatory Reform Agenda

Regulatory reform to unlock productivity and economic dynamism



Regulatory reform is a key enabler of productivity growth. Through new measures in the Budget and in response to the Economic Reform Roundtable, the Australian Government will strengthen regulatory systems and reduce regulatory burden by \$10.2 billion each year by:

- reducing compliance time and costs
- making it easier to build, invest and innovate
- improving government services.

Achieving these key objectives will boost productivity growth, free up labour and capital and reduce barriers to adopting new technology.

Well-designed regulation improves the lives of all Australians by saving people time when dealing with government, delivering better services and safer products, and supporting investment and growth across the economy. Improved regulatory design can accelerate the delivery of infrastructure and housing, support local businesses, and encourage investment in renewable energy projects that will help us achieve net zero by 2050.

The Government is delivering an ambitious Regulatory Reform Agenda to facilitate investment, protect Australians from harm, and reduce unnecessary regulatory costs across the economy.

The Government is focusing on five key areas:

1. **Better regulation** to make regulation simpler, more effective, and better targeted. The Government is progressing reforms that will deliver \$10.2 billion per year in regulatory burden reduction once fully implemented.

The package includes regulatory reform decisions and actions in response to the

Economic Reform Roundtable in August 2025, as well as measures announced as part of the 2025–26 MYEFO and the 2026–27 Budget. The package includes the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) reforms, collaboration with the states and territories on planning and supply reforms to support housing delivery, and reforms under National Competition Policy.

2. **Single national market** to create clear and consistent rules for Australian businesses, workers and consumers. This includes progressing a national approach to worker screening to enhance labour mobility for care workers by creating a single check, while improving safety for vulnerable cohorts by enhancing information sharing.
3. **Faster processes** to get more projects off the ground more quickly. Landmark reforms to the EPBC Act will fast-track approvals for businesses, while better protecting the environment for future generations.
4. **Modernising regulation** to reduce compliance burden and enhance government service delivery. For example, the Therapeutic Goods Administration is incorporating AI to evaluate the suitability of medicines already approved by another comparable overseas regulator to speed up the delivery of safe medical therapies.
5. **Regulatory stewardship** to improve regulations and regulators, including by further embedding productivity in their practice and performance. Ministers expect all Commonwealth regulators to better balance risk mitigation with efficiency, growth and dynamism.

Better regulation

Regulation touches on nearly every aspect of everyday life. From road rules to housing construction, regulation sets the 'ground rules' which govern how individuals behave and how businesses and institutions operate.

The Government is committed to making sure regulations are simple, effective, and targeted. Through the Regulatory Reform Agenda, the Government is undertaking reforms to continuously improve and modernise regulation to boost productivity, while ensuring essential protections and systems are fit-for-purpose in the digital era.

Reducing compliance burden

The Government is reducing regulatory burden, where possible, while strengthening important safeguards.

The Government will deliver reforms that reduce regulatory burden by **\$10.2 billion per year** once fully implemented. These reforms reflect the Economic Reform Roundtable outcomes as well as initiatives in the 2025–26 MYEFO and the 2026–27 Budget.

This includes implementing reforms to the **EPBC Act** and the Council of Financial Regulators' **Better Regulation Roadmap** to reduce compliance costs for businesses. The Roadmap sets out the path to improve the efficiency of the financial sector without compromising financial stability, consumer protection and market integrity and includes over 50 commitments made as part of the Economic Reform Roundtable process.

The Government is progressing 14 legislative reforms that will reduce regulatory burden in the financial sector by \$780 million per year, including to:

1. **Relieve reporting burden** by raising monetary thresholds for large proprietary companies from \$50 million to \$100 million of consolidated revenue and \$25 million to \$50 million of consolidated gross assets. Australian businesses that cease to meet the thresholds due to this increase would no longer need to lodge an annual audited financial report, directors' report or sustainability report.
2. **Improving the efficiency of climate related financial disclosures.** The Government will consult on reforms to reduce burden while maintaining core sustainability reporting requirements, including:
 - improving consistency in the application of reporting requirements by clarifying how key concepts, including 'undue cost or effort', apply in practice
 - adjusting assurance settings to ensure they are proportionate and practical
 - setting clearer boundaries on supplier information requests, to reduce costs and complexity, particularly for small businesses.
3. **Progress the Government's Modernising Business Communications agenda** by updating laws that may prevent businesses from keeping records electronically, letting ASIC update forms to streamline communication with businesses and individuals, and allowing the Australian Small Business and Family Enterprise Ombudsman to better use technology to communicate with the public. This would give Australian businesses greater flexibility in meeting their recordkeeping obligations under the corporations and superannuation laws and greater certainty that they no longer need to keep paper records.
4. **Increase the bank covered bond cap** for Australian assets from 8 to 12 per cent to facilitate Australian banks' access to more stable and cost-effective long-term wholesale funding sources.
5. **Reduce administrative burden from the Financial Accountability Regime** to reduce routine and low-value notifications by regulated entities by not requiring routine reporting of accountability statements and maps, raising the notification thresholds for small banks, removing the need to report low-value breaches, providing more time to register accountable persons, and aligning terminology and timing.
6. **Simplify reporting relief** for group entities without reducing protections for those dealing with group companies. This reform will make it easier for group entities to receive relief by replacing the need for complex deeds of cross guarantee with a simplified statutory process.

7. **Replace the Australian Credit Licence annual compliance certificate with a simplified form** to reduce regulatory burdens for banks and non-bank lenders.
8. **Expand eligibility for the streamlined test for approvals for bank start-ups** by extending the duration from 2 to 5 years and increasing the maximum total resident asset limit from \$200 million to \$500 million. This will reduce regulatory hurdles for bank start-ups, while maintaining consumer protections and supporting greater competition.
9. **Reduce barriers to small bank mergers** by adopting a notification and clearance regime for banks with assets under \$10 billion and increasing APRA's existing delegated approval thresholds for banks and insurers from \$5 billion to \$10 billion. This will benefit consumers by enabling smaller entities to realise economies of scale and strengthening competition for banks and insurers.
10. **Modernise elements of the Financial Claims Scheme (FCS)** by enabling earlier FCS declarations to minimise disruption to depositor access and enhancing resolution tools by enabling FCS-supported transfers of shares (not only assets and liabilities).
11. **Improve the efficiency of voluntary bank exits** by enabling the transfer of unclaimed deposits from banking exits to unclaimed moneys and enabling ASIC to receive, hold and repay these funds.
12. **Remove the duplicative requirement** for authorised credit representatives to hold separate Australian Financial Complaints Authority membership, as consumers can lodge complaints against the responsible credit licensee about the conduct of their representatives. This would reduce regulatory burden for over 40,000 credit representatives.
13. **Reduce the regulatory burden on superannuation funds** by legislating superannuation-related ASIC instruments to address unnecessary disclosure requirements, and to align portfolio holdings disclosure obligations for internally managed private debt with externally managed private debt.

14. **Make managing bereavement costs easier for families** by increasing the bank account withdrawal limit for deceased persons' estate related expenses from \$15,000 to \$30,000, including funeral expenses, and expressly provide for the payment of court filing fees from an account.

The Government will continue to consider other financial sector reforms, including remaining recommendations from the Council of Financial Regulators' **Small and Medium-Sized Banks Review**.

As part of the 2026–27 Budget, the Government will also support **free access to mandatory standards** referenced in Commonwealth and state and territory legislation. This measure will reduce fixed costs for new and small businesses, while benefiting consumers by improving the quality, safety and reliability of goods and services.

The Government is also making **practical reforms to Australia's intellectual property system**, reducing administrative burden and improving responsiveness. The reforms will provide clearer and faster pathways for Australian businesses managing intellectual property.

'Tell-us-once' reforms

The Government is progressing reforms to deliver a **'tell-us-once' approach**, reducing the amount of time Australians spend providing the same information across different areas of government, reducing administrative and financial burdens and allowing Australians to get on with their lives and businesses. The Government will deliver legislative and other reforms to simplify and streamline processes and reporting for businesses and individuals.

For example, the Government will make it easier for industrial chemical scheme registrants by introducing legislation to **remove low-value annual declaration for more than 7,000 entities**. Instead, only a few hundred entities will be required to complete a once-off declaration, reducing burden while allowing regulators to focus on higher risk regulatory activities. The Government will also align legislation to further **remove unnecessary burden for entities verifying their identity** across multiple schemes operated by the Clean Energy Regulator.

The Government will introduce legislation to make it easier for the more than 1.5 million nominees for social security recipients to cancel their nominee arrangements. Instead of being required to cancel only in writing, nominees will be able to choose the approved method that best suits them, such as over the phone.

The Council of Financial Regulators, together with other financial regulators (CFR Plus), will take **13 actions to reduce duplicative, inconsistent, or opaque data requests**. These actions will:

- strengthen coordination and enhance transparency
- strengthen engagement with industry
- reduce duplication and inconsistencies in data collections
- streamline existing data collections.

These actions include better coordination between regulators on thematic supervisory activities and enhancing existing data sharing between regulators to reduce requests of industry. They also include the streamlining of regulators' existing data collections, with APRA already revoking seven superannuation reporting standards.

Regulatory Reform Omnibus Bills

As part of the shift towards 'tell-us-once', the Government passed the **Regulatory Reform Omnibus Act 2025** with 60 measures to amend 28 Acts, repeal two Acts and improve the operation of 13 government agencies. This included reducing the number of times Australians must provide the same information when accessing everyday services like Medicare rebates, Centrelink and Child Support.

The Government is developing **regular Regulatory Reform Omnibus Bills** to drive continuous improvement and modernisation of our regulatory ecosystem, including introducing a second Regulatory Reform Omnibus Bill.

Reviewing and streamlining regulatory requirements through deep dives

The Government will review sectors or areas where there are substantial cumulative or overlapping regulatory burdens on Australian businesses. Targeted reviews can help identify where regulatory reform is needed to help Australian businesses to grow and thrive.

There are six reviews underway:

- Council of Financial Regulators' **deep dive on financial sector regulation** which will deliver \$961 million in regulatory burden reduction. This includes \$780 million by progressing 14 legislative reforms to reduce financial sector compliance costs. It also includes the continuing delivery of the Better Regulation Roadmap which will reduce regulatory burden by \$181 million by improving coordination, planning and engagement with industry, and streamlining data collection.
- Board of Taxation's **Red Tape Reduction Review**, which will review ways to reduce red tape in the tax system. The final report is due to be provided to the Treasurer by 30 June 2026.
- The Council on Federal Financial Relations' **review to examine approval pathways for data centres**, which will identify opportunities to reduce barriers for new data centre projects and consider issues related to the cumulative demand for land, energy and water use.
- Australian Small Business and Family Enterprise Ombudsman's **White Tape Review**, which will examine non-legislated or cascading compliance burdens imposed by larger organisations on smaller businesses such as through contractual terms, proprietary platforms, and extended supply-chain assurance practice. This will identify areas of excessive administrative and compliance burdens and provide recommendations to the Minister for Small Business by 30 September 2026 to reduce them.

- Treasury’s **National Construction Code Modernisation Project**, which will reduce state variations to create a truly national code, make it easier to use through free standards, and test a digital AI-enabled tool.
- The Minister for Education’s **Better Regulation Working Group**, which will examine the application of regulatory requirements and internal red tape within higher education providers. This Group will develop a set of practical, implementable actions to streamline regulation that can be progressed in the short to medium term.

Alongside this Budget, the Government is tasking the Productivity Commission to complete an inquiry into **business dynamism** in Australia, which will focus on the regulatory barriers faced by firms to innovate and grow, particularly young firms.

The Government is also committed to reviewing **non-financial business reporting requirements** to ensure reporting requirements are efficient and fit-for-purpose.

Single national market

All Australians directly benefit from clear and consistent rules across federal and state governments.

People

The Government is creating a **single national market for workers** by implementing reforms to lower regulatory barriers to labour mobility. As part of National Competition Policy (NCP), the Government is:

- progressing a **national approach to worker screening** across the care and support economy to enhance safety and efficiency
- reforming **occupational licensing** to make it easier for electricians and engineers to work in different states
- allowing **health practitioners to work to their full scope of practice** to improve productivity and reduce costs in the health sector
- reforming **non-compete clauses** and other employment restraints to boost wages.

Products

The Government is engaging with state and territory governments to explore new reforms including creating a nationally consistent legislative framework for control-of-use of **agricultural and veterinary chemicals**.

This complements existing work to:

- create a **single national market for goods** by harmonising standards for household electrical consumer goods, waste and recycled products, building and construction, and food standards
- accelerate **heavy vehicle reforms** to boost productivity and increase the uptake of electric heavy vehicles
- extend the **right to repair** to agricultural machinery.

Market regulation

The Government is working with the states and territories to improve and align regulatory settings across the country.

The Government will explore new reforms to harmonise state **retail tenancy** and **payroll tax administration** frameworks as part of NCP. This builds on ongoing reforms to improve **commercial planning and zoning** and strengthen **unfair contract terms and unfair trading practices protections**.

The Government will also establish a **National Technical Regulator function** within the Clean Energy Regulator to develop, coordinate and streamline the regulation of consumer energy resources in the energy system.



Faster processes

The Government is implementing reforms to improve our approval processes and get more projects off the ground faster. Reforms will minimise regulatory burden on businesses, fast-track nationally significant projects, boost productivity and uphold essential safeguards.

Accelerating approvals

The Government is progressing a wide range of reforms to fast-track project assessments and approvals and deliver economy-wide time and cost savings for businesses. These reforms will help to roll out more renewable energy and access more critical minerals – supporting Australia’s economic productivity and prosperity now and into the future. This includes the Government’s work to **accelerate environmental and housing approval processes and improve telecommunications infrastructure deployment**.

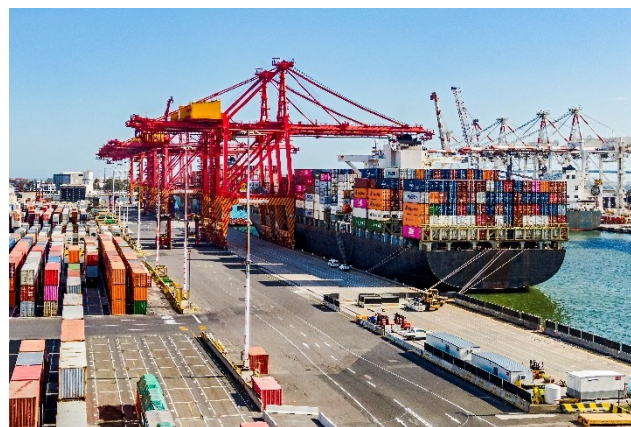
Building more homes for Australians

The Government is investing over \$47 billion to build more homes, back first home buyers into home ownership, and support renters. This Budget provides \$2 billion for a new **Local Infrastructure Fund** to fast-track housing-enabling infrastructure projects. To access this funding, further planning, zoning and productivity reforms will be required of states and territories. This includes faster and simpler approvals, making more land available and ready to build homes, and a simpler, genuinely national construction code.



Supporting greater trade and investment

The Government is implementing reforms to increase trade and encourage productive investment in the Australian economy. This will create jobs and opportunities for Australian workers and businesses. Key initiatives include enhancing the **Investor Front Door**, further streamlining and strengthening the **Foreign Investment Framework**, modernising Australia’s **Offshore Resources Regime**, strengthening the **superannuation performance test**, reducing red tape with early wins in the **trade remedies system**, and removing **additional nuisance tariffs**, while continuing to progress **simplified trade regulatory reforms**.



Modernising regulation

The Government is digitising processes and applying digital innovations to streamline regulation.

The Government is progressing a range of reforms to modernise regulatory settings to enable Australian businesses to adopt new and innovative technologies. These include:

- legislating the **United Nations Model Law on Electronic Transferable Records** to support fully paperless international trade
- progressing the **Modernising Business Communications agenda** to facilitate greater uptake of electronic recordkeeping
- continuing efforts to **simplify and streamline Australia’s cross-border regulation** and deliver benefits to Australian businesses as part of tell-us-once reforms.

Applying AI to regulation in the APS

The APS is exploring how **AI can be used in regulatory reform to improve efficiency**, reduce friction for citizens and businesses, improve understanding and navigation of regulatory systems, increase transparency, and support more timely, consistent and citizen-centric service delivery. This includes:

- The Therapeutic Goods Administration incorporating AI to **evaluate the suitability of medicines** already approved by another comparable overseas regulator – potentially saving companies up to \$1.7 billion over five years
- The Department of Climate Change, Energy, the Environment and Water is piloting AI to assist and better inform proponents seeking environmental approvals, which will help **accelerate and streamline approvals under the EPBC Act**
- The Department of Finance is **expanding the GovAI platform** to provide all APS staff with secure and sovereign generative AI tools and **establishing the AI Delivery and Enablement Division** to help policymakers overcome common barriers, share lessons and accelerate AI adoption
- The Australian Fisheries Management Authority is investing in AI tools to enhance the effectiveness of its electronic monitoring program to help **preserve protected marine species**.

Regulatory stewardship

As part of the Economic Reform Roundtable, the Minister for Finance and Treasurer wrote to 38 regulators seeking new ideas and actions that regulators could take to support productivity growth and reduce unnecessary regulatory burdens. More than 400 ideas were proposed and **over 90 ideas have been completed as of March 2026**.

The Government is also further embedding productivity in regulatory practice and performance. **A new productivity policy objective for Ministerial Statements of Expectations** has been set for all Commonwealth regulators to better balance risk mitigation with efficiency, growth and dynamism.

The Government will also improve the **Impact Analysis framework**, from 1 July 2026, to ensure key regulatory policies are better shaped by more timely and concise analysis.

Guidance materials are being developed to support policymakers and regulators to operationalise the whole-of-government **Regulatory Policy, Practice & Performance Framework**. The Framework outlines six principles to drive fit-for-purpose regulation in a digital era, protect against regulatory failures and improve productivity. A recently released **Regulator Maturity Model and Self-Assessment Tool** is helping regulators evaluate and improve their regulatory capability at the enterprise level, as well as measure changes to capability over time.

To support regulatory stewardship, coordination and capability uplift, the Government has also reinvented the **Regulator Leadership Cohort**. This comprises Heads of up to 35 Commonwealth regulators or those responsible for a significant Commonwealth regulatory function.



Appendix: Breakdown of regulatory burden reduction

The Government is taking action with reforms to deliver **\$10.2 billion per year in gross regulatory burden reduction**. The table below includes a package of key reforms which contribute to the figure.

Estimated gross regulatory burden reduction^(a)

Key reforms	Estimated reduction (\$ millions p.a.)
Streamlining <i>Environment Protection and Biodiversity Conservation Act 1999</i> (EPBC Act) assessment pathways ^(b)	3,045
Working with states and territories on reforms to build more homes ^(c)	3,000
National Competition Policy – reforms underway with states and territories ^(d)	2,050
Financial sector reform and Council of Financial Regulators Plus Better Regulation Roadmap	961
Simplifying the tax system	415
Therapeutic Goods Administration – using AI to evaluate the suitability of medicines	340
‘Tell-us-once’ reforms including the Regulatory Reform Omnibus Act 2025	190
Abolishing an additional 497 nuisance tariffs	127
Other items	81
Total	10,209

a) Estimates represent reductions in the administrative, substantive, and delay costs once the policy has been fully implemented.

b) The medium scenario in the Department of Climate Change, Energy, the Environment and Water’s Addendum to the original certification of the 2020 Final Report of the EPBC Act Review.

c) Based on Productivity Commission’s Creating a More Dynamic and Resilient Economy inquiry and assuming an average reduction of 10 per cent of the medium regulatory burden estimates for houses and apartments. The final outcome is subject to negotiations with states and territories.

d) Realisation of regulatory burden reduction estimates depends on state and territory action.

The estimated reduction:

- Represents a gross reduction in regulatory burden.
- Includes regulatory reform decisions and actions in response to the Economic Reform Roundtable as well as new measures as part of 2025–26 MYEFO and 2026–27 Budget.
- Is based on the reforms being fully implemented. It is subject to revision if there are changes in policy design or implementation. Some reforms are subject to design, agreement, and implementation with the states and territories.