

15 October 2025

Australian Securities and Investments Commission
GPO Box 9827
Melbourne VIC 3001

via email: simplificationconsultativegroup@asic.gov.au

Dear Mr Longo

Re: ASIC Consultation – Regulatory Simplification (REP 813)

The Business Council of Australia (BCA) welcomes the opportunity to comment on ASIC’s Regulatory Simplification consultation. We are a member-led organisation, and our submissions reflect engagement with those members and the expertise and practical experience they bring.

As members of the ASIC Simplification Consultative Group, we commend ASIC’s collaborative approach to simplifying regulatory obligations and improving interactions between the regulator and the regulated. These issues are at the heart of our advocacy, as detailed in our Better Regulation report¹ and recent submission to the Productivity Commission’s inquiry into Regulating to Promote Business Dynamism². Key to this is the introduction of a 25 per cent red tape reduction target to help reduce the significant cumulative burden of regulation over time.

As we’ve consistently argued, poorly designed and needlessly complex regulation imposes real costs: on consumers through higher prices, on businesses through inefficiencies and on the economy through constrained investment and slower innovation. Regulatory simplification is not about lowering standards or weakening oversight; it’s about delivering regulatory objectives more effectively, proportionately and fairly.

We also recognise that regulators like ASIC are not well served by overly complex or fragmented regulatory frameworks. ASIC’s mandate is too important to be hampered by red tape. We share the goal of ensuring ASIC’s time and resources are directed to its core purpose and not navigating cumbersome and duplicative regulatory structures.

We provide below our response to the four thematic areas identified in REP 813.

1. Improving access to regulatory information

ASIC’s efforts to consolidate content, restructure its website, and trial sector-specific roadmaps are welcome steps in making regulatory obligations more navigable. We particularly support the shift toward user-centric design tailored by audience type. While ASIC’s website could be relevant to

¹ [Better Regulation Report](#)

² <https://www.pc.gov.au/inquiries/current/resilient-economy#report>

anyone, we welcome the focus on the three key audiences, those being technical users, strategic decision makers and small businesses (in particular, directors of those businesses).

However, clarity and consistency across guidance materials remains an issue. We support:

- Adopting greater consistency in documentation and naming convention across regulatory documents (e.g. removing overlapping or poorly distinguished terms across regulatory guides, information sheets, FAQs, etc.).
- Ongoing efforts to improve the availability of information for small business directors, noting they generally have limited interaction with ASIC.
- Ongoing efforts to simplify and consolidate guidance. The example provided for Product Disclosure Statements should serve as a useful case study for future consolidations.
- Developing more tiered guidance to suit multiple audiences, with executive-level summaries and technical annexes.
- Ongoing work to consider how ASIC guidance interacts, and potentially conflicts with other legislative requirements, faced by their regulated entities.
- Assuming the pilot feedback is positive, a logical starting point for prioritising the next tranche of regulatory roadmaps would be the categories outlined in Table 2. Investment management, corporate finance, market integrity, and market conduct stand out as credible candidates given both the volume of legislative instruments and the complexity of regulatory requirements across these areas. These categories also represent high-impact segments where simplification could deliver material benefits for business compliance and regulatory effectiveness.
- ASIC should continue to explore new guidance formats (e.g. explainer videos, podcasts, simplified visual maps).

On the question of principles-based vs prescriptive guidance, we favour principles-based guidance supported by worked examples and clarity on enforcement thresholds. Where prescriptive guidance is used, it must be accompanied by rationale and scope.

2. Reducing complexity in regulatory instruments

The BCA supports ASIC's commitment to best-practice legislative drafting, including its use of the Office of Parliamentary Counsel's Guide to Reducing Complexity in Legislation³. In addition to this guide, we recommend drawing on the guidance produced by the Office of Impact Analysis⁴, which provides a broader framework for improving policy development and regulatory design.

We also support initial efforts to consolidate relief instruments. In particular:

- The pilot consolidation of financial reporting and audit instruments is sensible and could serve as a model for other categories. While consolidation is critical, equal attention should be paid to simplifying the language used in these instruments to enhance clarity and accessibility for end users. Accounting and auditing firms and professional bodies would be better suited to provide a view on the technical impact of this pilot; and

³ [OPC Guide to Reducing Complexity in Legislation](#)

⁴ [Guidance on OIA Procedures | The Office of Impact Analysis](#)

- The simplification of platform instruments reflects a sensible path to simplify the complex terms of relief while maintaining investor protections. Investment firms and relevant peak bodies and associations would be better suited to provide a view on the technical impact of this pilot.

We recommend ASIC develop a public “pipeline” of consolidation and simplification projects, allowing stakeholders to anticipate and contribute to reform.

3. Making it easier to interact with ASIC

ASIC’s efforts to modernise its registry services, digitise forms, accept electronic signatures, and improve responsiveness are welcome and overdue.

We strongly support:

- The digitisation of high-volume forms and the move towards seamless online lodgement. The BCA has long advocated for the modernisation of business communications, so we welcome ASIC’s immediate commitment to enable electronic signing across all ASIC forms.
- Consolidation of user portals and methods for accessing portals.
- Modern APIs and system upgrades to reduce downtime and improve data integrity.
- Simplifying and improving registry and licensing services particularly for AFS licences and Director ID.

ASIC’s plan to engage earlier with industry on surveillance data and information requests where feasible is also welcome. This will support businesses better accommodate requests, understand the rationale and ensure more relevant and consistent data is collected.

We also support greater transparency and forward planning through the Regulatory Initiatives Grid. Beyond ASIC, at a wider economy level, we continue to advocate for further regulatory initiative grids that expand to other sectors and improve on the existing financial services sector regulatory grid. The grid should:

- Involve a rolling 24-month forward program of all regulatory initiatives that will materially affect stakeholders, updated twice a year.
- Include regulatory initiatives such as proposed changes to legislation, rules, standards, consultation processes, and data collection processes.
- Be expanded on a sector-by-sector basis, starting with industries that face high levels of intersecting regulatory obligations.

An expanded regulatory grid will help better coordinate regulation and help drive better outcomes. This will give businesses clear visibility of regulation that may impact businesses and support engagement with proposed reforms and their implementation. It also aligns with the first principle of the Regulator Performance Guide – Continuous improvement and building trust. This includes harmonisation with other regulators and producing common guidance where appropriate to provide clarity.

4. Simplification through law reform

We commend ASIC for being proactive in identifying areas of law where simplification would deliver real regulatory efficiency gains.

We support efforts to reform of the reportable situations regime and modernisation of substantial holding notices.

More broadly, we urge the government to simplify and rationalise the Corporations Act. While we appreciate much of this type of reform is beyond ASIC's remit, we see merit is all stakeholders considering the Australia Law Reform Commission's (ALRC) reform roadmap outlined in their 2023 report *Confronting Complexity: Reforming Corporations and Financial Services Legislation*.⁵ It recommended reforms aimed at simplifying and rationalising the law, particularly focusing on financial services legislation. The core of the recommendations involves establishing a reformed legislative framework.

The specific legislative and regulatory measures recommended include:

- **Creating a Financial Services Law (FSL):** Amend the Corporations Act to create a dedicated group of restructured and reframed provisions for financial product and financial services regulation, consolidating relevant provisions from Chapter 7 of the Corporations Act and Part 2 Division 2 of the ASIC Act.
- **Enacting the FSL as a Schedule:** The Financial Services Law should be enacted as Schedule 1 to the Corporations Act, providing a single location and clear legislative identity for the FSL.
- **Implementing a Single, Simplified Definition Regime:** Amend corporations and financial services legislation to enact a single, simplified definition for 'financial product' and 'financial service' in the Corporations Act, to be cross-referenced in other legislation. The definitions should be broad, covering the scope of both the Corporations Act and ASIC Act, with application provisions, exclusions, and exemptions used to adjust scope, not different definitions. Specific inclusions within definitions should be located in primary legislation.
- **Adopting a Principled Legislative Model:** Implement a model for financial services legislation comprising primary legislation containing key obligations and prohibitions, and rules or rulebooks (for detailed matters).
- **Creating Rules Powers:** Amend the Corporations Act to create powers for including/excluding products, services, or persons and powers to make 'rules' prescribing authorised matters. These powers should be vested in the Minister and ASIC, consistent with existing allocations, with a protocol to coordinate concurrent powers.
- **Implementing Safeguards for Delegated Legislation:** Amendments should include safeguards for the exercise of rule-making powers, such as requiring public consultation and consultation with an independent Rules Advisory Committee and requiring explanatory statements detailing consistency with legislative objects
- **Restructuring by Regulatory Theme:** Restructure and reframe provisions within the Financial Services Law based on regulatory themes

5. Concluding observations and priorities

The recent Economic Reform Roundtable hosted by the Federal Treasurer underscored many of the key productivity challenges facing the Australian economy. A consistent theme throughout the discussions was that regulatory complexity and poor regulatory practices remain significant barriers

⁵ [ALRC-FSL-Final-Report-141.pdf](#)

to investment and innovation. We welcome ASIC's current focus on regulatory reform and urge the Commission to:

- Maintain momentum through a rolling, multi-year simplification plan.
- Prioritise reforms based on economic impact, user feedback and frequency of interaction.
- Embed an internal "simplification test" for all new ASIC documents and processes.
- Engage early and meaningfully with business during the design phase of reforms.

The BCA welcomes initiatives like those recently introduced by ASIC, which represent practical steps toward smarter regulation. At the same time, we will continue to advocate for whole-of-government simplification, consistent with our call for a 25 per cent reduction in the cost of regulation by 2030.

We appreciate ASIC's collaborative approach to this work and the BCA looks forward to continued engagement through the ASIC Simplification Consultative Group and other forums.

Yours sincerely



Chief Economist
Business Council of Australia