



MTAA RESPONSE TO:

Productivity Commission inquiry into business reporting requirements

September 2026

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1. Introduction

The Motor Trades Association of Australia (MTAA) welcomes the opportunity to contribute to the Productivity Commission's inquiry into non-financial business reporting requirements.

MTAA is the national peak body representing Australia's automotive retail, service, repair and recycling industries. Through our state and territory associations, we represent over 9,000 member businesses. These businesses, mechanical workshops, body repairers, dealerships, dismantlers, recyclers, tyre dealers, service stations and towing operators, are overwhelmingly small and family-owned, typically employing fewer than 20 staff. They form part of a sector employing more than 320,000 Australians across approximately 70,000 enterprises, contributing approximately \$40 billion to GDP annually.

This submission responds principally to Information Requests 4, 5 and 6, focusing on how overlapping Commonwealth, state and territory reporting requirements impose cumulative costs on automotive businesses, particularly small workshops and dealerships.

MTAA does not seek to remove necessary safety, environmental or consumer protections. Many reporting requirements serve legitimate safety, consumer protection, environmental and workforce objectives. The issue is not necessarily the information being collected, but whether the same information needs to be collected repeatedly by different agencies and in different formats. Where information is already held by government and can be lawfully shared, requiring businesses to resubmit it provides limited additional regulatory value while imposing additional administrative cost.

MTAA therefore seeks to simplify existing obligations, reduce duplication and improve information sharing between regulators so that the same policy outcomes can be achieved at lower cost to small businesses.

2. The regulatory landscape for automotive businesses

2.1 A fragmented, multi-jurisdictional compliance environment

Automotive businesses operate in one of the most heavily regulated small business environments in Australia. A single workshop or dealership may simultaneously face reporting obligations from:

- > Commonwealth regulators: the ATO, ACCC, ASIC, Australian Refrigeration Council (ARC), Department of Climate Change, Energy, the Environment and Water, Safe Work Australia, and WGEA;
- > State and territory regulators: fair trading bodies, environment protection authorities, WHS regulators, motor dealer licensing authorities, and local government; and
- > Non-government bodies: through voluntary codes, industry standards and insurer requirements.

As MTAA submitted to the Commission's recent inquiry into barriers to business dynamism – automotive businesses are required to comply with a wide range of regulatory obligations, many of which are

administered across federal, state and local government levels. In practice, these obligations overlap and interact. Businesses must navigate multiple regulators, separate reporting systems and differing compliance expectations.

2.2 Key areas of overlapping reporting

Motor dealer licensing – Dealer licensing is administered under different legislation in each jurisdiction: NSW (Motor Dealers and Repairers Act 2013), Victoria (Motor Car Traders Act 1986), Queensland (Motor Dealers and Chattel Auctioneers Act 2014), Western Australia (Motor Vehicle Dealers Act 1973), South Australia (Second-hand Vehicle Dealers Act 1995), and so on. Each imposes its own record-keeping formats, trust account obligations, audit requirements and disclosure forms. A dealer operating across borders must maintain parallel compliance systems.

Environmental and waste reporting – Workshops generating waste oil, refrigerants, batteries, tyres and solvents must report to state EPAs using different platforms (NSW's IWTS, SA's WasteTracker, etc.). Concurrently, Commonwealth regulations require refrigerant handling records for the ARC. Overlapping chemical and waste streams are reported to both levels of government using different systems, definitions and formats.

Workplace health and safety – Victoria has not implemented the national model WHS laws. It applies incident notification requirements under the *Occupational Health and Safety Act 2004* (Vic), administered by WorkSafe Victoria. Businesses operating across jurisdictions must check the applicable notification triggers, procedures and regulator in each location, including variations among jurisdictions that have adopted the model laws.

Consumer protection disclosures – While the Australian Consumer Law provides a national framework, state regulators impose different disclosure and notification requirements on motor vehicle sales, including different forms, statutory warranty fund obligations and claim limits.

Employment and payroll reporting – Beyond Single Touch Payroll (STP) to the ATO, employers face separate workers' compensation reporting to state-based schemes, superannuation reporting, and state long service leave reporting. Workers' compensation premium calculations often duplicate information already provided through STP.

3. Cumulative burden on small automotive businesses

The Commission rightly identifies that "where businesses face many reporting requirements, the requirements can impact operations and dynamism in ways not captured when they are assessed individually." This is acutely relevant to the automotive sector.

Specific reporting interactions include:

- > Identical data to multiple bodies: Workforce data is provided to the ATO via STP, to state workers' compensation authorities, and (for 100+ employee businesses) to WGEA – substantially the same information in different formats against different definitions.
- > Inconsistent definitions: The definition of "small business" varies across regimes. Motor dealer licensing triggers range from four vehicles (Victoria, SA) to six (Tasmania, ACT).
- > Misaligned reporting periods: State licensing renewals, workers' compensation audits, environmental tracking reports and Commonwealth sustainability reporting all operate on different cycles, creating rolling compliance deadlines.
- > Multiple platforms: No single portal serves a small automotive business's reporting needs. Different regulators operate separate online systems, each with distinct credentials, data entry requirements and formats.
- > Indirect or 'white tape' reporting obligations through supply chains and government procurement: The Modern Slavery Act 2018 (Cth) shows how regulation aimed at large entities can impose significant costs on small businesses outside its scope. The Act applies only to entities with consolidated annual revenue of \$100 million or more, but those entities meet their reporting obligations largely by gathering information from their suppliers. As a result, small automotive businesses routinely receive supplier questionnaires. Each comes in a different format, and each asks for substantially the same information about suppliers, sourcing and labour practices. A small business may complete several of these each year without being subject to the Act itself.

A similar impact can arise from climate-related financial disclosure requirements, where reporting obligations aimed at larger entities cascade down to small businesses through requests for supplier data. Outside government and regulator-imposed obligations, larger firms may also impose reporting and information requirements on smaller suppliers to meet ESG, shareholder, financier and customer expectations.

Where suitable proxies, recognised industry benchmarks or other existing data can meet reporting requirements, reporting entities should be required to use them before seeking additional information from small suppliers. Direct requests should be limited to circumstances where those sources are insufficient to meet the relevant reporting requirement.

4. Case studies: The practical impact on MTAA members

Case Study A: Welding compliance cost modelling

Source: MTAA, Response to Safe Work Australia – Regulation of Welding Processes, July 2026

MTAA modelled the compliance cost of proposed welding-specific regulations for a typical small automotive workshop (5–10 employees):

Cost category	Year 1 (implementation)	Ongoing annual cost
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Risk assessments and atmospheric monitoring	\$3,000–\$5,000	\$400–\$1,000
Training & documentation	\$1,000–\$3,000	\$500–\$1,500
Signage & risk controls	\$3,000–\$6,000	\$1,000–\$2,000
Administration & record-keeping	\$1,000–\$3,000	\$1,000–\$3,000
External WHS advisory support	\$3,000–\$5,000	Minimal
Total	\$11,000–\$22,000	\$2,900–\$7,500/year

MTAA concluded: "Even at the lower end of these estimates, the costs are material in the context of small business margins and cash flow." These costs would sit on top of the workshop's existing reporting and compliance obligations, illustrating how individually reasonable requirements can create a material cumulative burden for a small business.

Case Study B: Apprenticeship incentive administrative burden

Source: MTAA, Response to the Productivity Commission Inquiry into Barriers to Business Dynamism, June 2026

Members consistently report that the claims process is excessively bureaucratic, often resulting in delays or abandoned claims, particularly for small businesses with limited administrative capacity.

Relevance: The apprenticeship incentive claims process requires documentation that duplicates information already held by the ATO (via STP) and state training authorities – a direct example of government agencies not sharing data.

Case Study C: Vehicle modifications business – NDIA audit duplication

Source: MTAA, Survey Responses: Small Business Unfair Trading Practices in the Automotive Sector, June 2026, Respondent: sole trader, vehicle modifications business, SA.

The respondent described being required to undergo audits every three years as a condition of accepting NDIA payments, at the business's own cost:

"I was made to conduct an audit every 3 years, which we have to pay for the documents to be written then pay for the Auditing Company to Audit us with no way to recoup the costs."

The respondent further noted: "The NDIA has us audited as if we are a Care Provider and not a supplier. The process of the audit has nothing to do with Vehicle Modifications."

Relevance: This is a direct example of a small automotive business being subjected to reporting and audit requirements designed for a different sector, with no mechanism for data sharing or recognition of existing compliance.

Case Study D: Cross-jurisdictional regulatory inconsistency

Source: MTAA, Response to the Productivity Commission Inquiry into Barriers to Business Dynamism, June 2026, MTAA, Australian Light Vehicle Standards Rules Amendment (Miscellaneous) 2026, March 2026.

MTAA documented that: "Members operating across state and territory borders report that inconsistent adoption of regulatory requirements, including vehicle standards, licensing and compliance rules, creates conflicting expectations, increased administrative burden, and operational confusion. Where rules are adopted at different times or with different provisions across jurisdictions, businesses must manage parallel compliance processes, adding cost and complexity that discourages expansion beyond a single state."

In the NTC submission, MTAA specifically noted that "inconsistent adoption across jurisdictions creates conflicting compliance expectations, increased administrative burden, and confusion for vehicle operators" — and that "national consistency in timing, adoption and implementation is critical to avoid operational conflicts for businesses operating across state borders."

Relevance: Directly demonstrates the reporting and compliance burden of multi-jurisdictional operation.

Case Study E: Collision repairer – compliance administration and mental health impact

Source: MTAA, Survey Responses: Small Business Unfair Trading Practices in the Automotive Sector, June 2026

The respondent described the cumulative impact of compliance and administrative obligations: "Increasing costs to run a business, employ staff and comply to unachievable standards and increasing costs. Accountants then take advantage and increase fees with no accountability to if they make a mistake. Director takes on ALL responsibility."

Business impact: The respondent reported delayed investment, reduced staffing or hiring, reduced apprenticeships, reduced willingness to expand, took on additional debt, and considered exiting the business. The respondent stated: "No outcome. We are angry, exhausted, burnt out, broke, never get a day off, can't have surgery. Get threatening letters, massive bills, huge interest on debts. Mental health and stress related illness. Don't want to employ people."

Relevance: While this respondent attributes the burden broadly rather than to specific reporting requirements, it powerfully illustrates the cumulative effect of regulatory compliance on a micro-business – exactly the "cumulative burden" the PC inquiry seeks to understand.

5. Recommendations

MTAA's recommendations reduce compliance costs while retaining the policy objectives those obligations serve.

Recommendation 1: Adopt a 'tell us once' approach for workforce data

Workforce data reported to the ATO (via STP), state workers' compensation authorities and WGEA is substantially the same. The Commission should recommend data-sharing arrangements, with appropriate privacy safeguards, allowing businesses to report once. Expanding STP data fields or enabling regulated access to STP data by workers' compensation authorities and WGEA, would eliminate duplicative reporting without reducing information available to regulators.

Recommendation 2: Harmonise state motor dealer licensing

The Commission should recommend that state and territory governments develop harmonised motor dealer licensing standards through National Cabinet or an equivalent mechanism, including a nationally consistent licensing threshold, standardised record-keeping formats, and mutual recognition of interstate licences.

Recommendation 3: Integrate environmental and chemical reporting platforms

The Commission should recommend a single integrated reporting interface or interoperable data standards allowing workshops to report waste and chemical handling data once to satisfy both state EPA and Commonwealth ARC obligations. This is consistent with the Commission's interest in whether "common reporting platforms or data standards" could reduce burdens.

Recommendation 4: Simplify apprenticeship incentive administration

The apprenticeship incentive claims process should be simplified by pre-populating claims with data already held by government, reducing evidentiary requirements where verification data exists, and establishing a streamlined small business pathway.

Recommendation 5: Conduct a cumulative reporting burden audit for the automotive sector

The Commission should recommend a comprehensive audit of reporting obligations applying to automotive businesses, mapping the full landscape of Commonwealth, state and local government requirements, identifying overlaps, and recommending specific reforms. MTAA has previously called for such a review.

Recommendation 6: Strengthen regulatory impact assessment processes

MTAA recommends that regulatory impact analysis requirements include a mandatory assessment of cumulative and interactive effects of new reporting obligations, with particular attention to disproportionate impacts on small businesses.

Recommendation 7: Reduce indirect or 'white tape' reporting burdens on small suppliers

The Commission should recommend that reporting frameworks require larger reporting entities to use suitable proxies, recognised industry benchmarks or existing data before requesting additional information from small suppliers, unless those sources are insufficient to meet the relevant reporting requirement.

Government should also support standard supplier questionnaires and reusable reporting platforms, beginning with modern slavery reporting, so small businesses can provide information once and share it with multiple customers. Regulatory impact assessments should account for costs passed down to suppliers below reporting thresholds, including through supply chains and government procurement.

6. Conclusion

Small workshops and dealerships face dozens of overlapping reporting obligations across Commonwealth, state and territory governments. These obligations serve important purposes, safety, consumer protection, environmental management, but the way they are administered imposes unnecessary costs through duplication, inconsistency and fragmentation.

The burden falls hardest on owner-operators who must divert productive hours to navigating multiple systems, formats and deadlines. This constrains growth, deters expansion across state borders, and reduces resources available for training the next generation of automotive technicians.

MTAA's recommendations are practical and achievable. They do not require removing any protection. They require governments and regulators to share data more effectively, harmonise requirements where objectives align, and design reporting systems that reflect the reality of small business operations.

We welcome further engagement with the Commission as this inquiry progresses. For any questions regarding this submission, please get in touch via info@mtaa.com.au.

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