

TEQSA,  
GPO Box 1672,  
Melbourne, Vic, 3001.

## **Response to TEQSA consultation on fees and charges**

To whom it may concern,

Thank-you for the opportunity to comment on the proposed new fees and charges schedule. With respect to the questions posed in the consultation document:

- 1) We appreciate the need to adopt a cost recovery model. However, see our comment under 5) below.
- 2) We agree in principle with the approach to attribute application based costs according to regulatory effort. However, our agreement is tempered by the argument we make under 5) below.
- 3) We agree with the proposal to vary course accreditation fees based on student numbers.
- 4) We agree with the principle of investigatory activity being borne by the providers being investigated. However, our agreement is tempered by the argument we make under 5) below.
- 5) Our major area of comment relates to the structure of the annual levy. We consider that a disproportionate burden will be borne by non-accrediting providers under the proposals. As a public NUHEP our particular interest is H.E. in TAFE which we consider meets a valuable need to ensure clear pathways exist between Vocational and Higher Education. We are concerned that the size of the increase in application and accreditation fees may result in a number of TAFE Institutes deciding to cease offering Higher Education.

As noted in the proposal, the sector as a whole requires a regulatory body to underpin the quality of the Australian provision. However, the majority of the proposed cost recovery appears to be activity based. This would seem to result in NUHEPs having many more instances of being required to pay for the services of TEQSA. It could therefore be argued that, under the proposals, the smaller non accredited providers would be subsidising Universities in funding the national regulator.

One solution could be to increase the amount recovered by the annual levy. We consider that under the AGCF<sup>1</sup> it is possible to increase both the overall quantum recovered utilising the levy, and the proportion of the levy which is scaled according to the provider's EFTSL. This annual levy increase could then allow the activity based fees contained in the proposal to be reduced, and the cost recovery to be spread more equitably across different types of providers. In turn this may reduce the risk of a shrinking of the H.E. provision within TAFE.

We hope these comments are of use to the process you are undertaking and are happy to expand further if required.

Yours



Dr. Andy Bridges  
Dean, Higher Education College,  
Chisholm Institute

<sup>1</sup>Specifically paragraphs 54 and 94 of the Australian Government Cost Recovery Guidelines (RMG 304). The overarching need for a regulatory body cannot be linked to individual providers. EFTSL as a measure of size can clearly be used as a cost driver to differentiate levy payments.