

Media Release —

ASQA & TEQSA Cost Recovery To Increase Student Course Costs

30 September 2019
For Immediate Release

The decision by the Australian Government to charge tertiary education providers for the full cost of regulatory oversight looks set to increase the cost of courses to students. That's the advice from the Independent Tertiary Education Council Australia (ITECA), the peak body representing independent providers in the higher education, vocational education, training and skills sectors.

The change in policy affects the vocational education and training regulator, the Australian Skills Quality Authority (ASQA), and also the higher education regulator, the Tertiary Education Quality and Standards Agency (TEQSA). Whereas both ASQA and TEQSA have operated on a partial cost-recovery basis during each regulators' formative years, in 2020 both regulators will move to full cost recovery.

"The cost of running ASQA and TEQSA will result in increased course fees as independent tertiary education providers generate their income directly from students. It's particularly concerning for non-profit and faith-based training providers that don't generate profits and there is likely to be a more significant effect on their students" said Troy Williams, ITECA Chief Executive.

ITECA has written to the Minister for Employment, Skills, Small and Family Business and also the Minister for Education outlining the challenges that are expected with the virtually simultaneous move of both ASQA and TEQSA to full cost-recovery. ITECA notes there has been no consultation on the proposed new range of fees and charges.

"The new fees and charges levied by ASQA and TEQSA will be passed on to students, that's the natural outcome of this cash grab by government," Mr Williams said.

ITECA has called for urgent consultation on these cost recovery proposals. Despite a deadline of 1 January 2020 for TEQSA to move to full cost recovery, and with ASQA following on 1 July 2020, no guidance as to the design of the new cost recovery models has been forthcoming from government.

"This cavalier attitude to potentially serious financial consequences for students cannot be tolerated. ITECA calls on the Australian Government to release the Cost Recovery Implementation Statements as soon as possible and then engage with the independent tertiary education system so that the impact on students can be fully assessed," Mr Williams said.

ITECA's concerns with the impact of ASQA and TEQSA full cost-recovery on students need to be factored into the considerable scope of the independent tertiary education system. Independent providers support some 70% of the 4.1 million students in vocational education and training plus around 10% of the more than 1.5 million students in higher education.

Ends.

Media Contact:
Michellé Mabile – ITECA Communications Director
e: media@iteca.edu.au m: 0436 522 189

ITECA Ref: N20.5.4



Independent Tertiary
Education Council Australia Ltd
ABN 63 054 953 758

ITECA Nationwide
t: 1300 421 017
f: 1300 421 018

ITECA National Office
GPO BOX 1939, Melbourne, VIC, 3001
e: enquiry@iteca.edu.au

ITECA Government Affairs
a: GPO Box 450, Canberra, ACT, 2601
e: policy@iteca.edu.au