

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Additional Estimates Hearing 2011-12
15 February 2012

AGENCY/DEPARTMENT: AUSTRALIAN SKILLS QUALITY AUTHORITY (ASQA)

TOPIC: ASQA Fee Schedule

REFERENCE: Question on Notice (Hansard, Page 91, 15 February 2012)

QUESTION No: AI-39

Senator BUSHBY: Thank you. I will move on in view of the limited amount of time. Senator Rhiannon asked some questions about the cost recovery model. I noted that the intention is to get to 85 per cent by the end of the forward estimates. You are doing that, as I understand it, by ramping up the fees over time to achieve that end; is that correct?

Mr C Robinson: Yes. A fee schedule was published when ASQA commenced. It followed the department running quite an extensive consultation process with stakeholders, RTOs and the like about the fees. In most cases the fees are higher than the fees that were charged by previous state regulators, but not in all cases.

Senator BUSHBY: That is what I was going to ask you. Is it possible—and I am happy for this to be on notice, given the time—to provide a breakdown of how these fees compare with what did exist beforehand?

Mr C Robinson: Yes, we can provide that on notice. We have the details.

ANSWER

The 2011-2012 Budget Papers show amounts budgeted to ASQA for cost recovery, as shown on Table 1 of the following page.

Although most jurisdictions have referred (or are in the process of referring) powers to the Commonwealth, there has been no transfer of funds to the Commonwealth to undertake this regulatory function. The COAG agreement was that the regulator would (progressively move to) operate with full cost recovery from the VET sector.

In the past, regulatory costs have been heavily subsidised by most state and territory governments, as indicated by Table 2 on the following page. ASQA fees and charges will increase the cost of registration in most states and territories.

ASQA fees and charges are structured proportionately so that larger registered training organisations (ie multiple delivery sites and/or extensive scope of registration) will pay more for the added costs to ASQA in regulating these larger registered training organisations.

It is still too early in the fee transition process to accurately gauge the impact of ASQA fees on registered training organisations.

TABLE 1: ASQA'S BUDGETED LEVEL OF COST RECOVERY

Year	2011–12	2012–13	2013–14	2014–15
Expenses \$m	26,565	24,973	25,408	24,018
Revenue \$m	11,400	15,900	20,700	20,700
Net Govt funding	14,165	9,073	4,708	3,282
Recovery %	43%	64%	81%	86%

TABLE 2: INDICATIVE FEE COMPARISON: ASQA & STATE REGULATORS

	ASQA	ACT	NSW	NT	TAS	SA	QLD	VIC	WA	NARA **
Initial and annual registration fees* for registered training organisations	\$4,540	\$1,717	\$4,725	\$1,150	\$340	\$2,545	\$2,024	\$3,064	\$2,720	\$3,609
Course accreditation fees*	\$2,700	\$844	\$2,330	\$115	\$1,088	\$2,220	\$707	\$1,264	\$540	N/A

* Fees represent the minimum costs payable to State and Territory regulators in 2010.

** NARA: National Audit and Registration Agency which ceased operations on 30 June 2011.