

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Supplementary Budget Estimates Hearing 2012-13
17 October 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Correspondence to Providers

REFERENCE: Question on Notice (Hansard, 17 October 2012, pages 93-94)

QUESTION No.: SI-45

Senator CAMERON: I do not get wound up. With hundreds of millions of dollars getting ripped out of the TAFE system and those universities that are associated with the TAFE system, that has huge implications, in my view, for the delivery of the quality assurance issues that you are responsible for. Are you going to have a look at the implications of this economic vandalism by these Liberal-National governments on the TAFE system and the implications it would have for quality assurance in the university system?

Dr Nicoll: What TEQSA will do is look at individual providers to ensure that their quality and their performance continue to meet the threshold standards which is the legislative instrument which is part of what we have to regulate against. I did write to all providers; I do not have the exact date in my head, but it must have been in September or August. In this letter I reminded the CEOs and the vice-chancellors of all of our 173 providers that they had a responsibility to notify TEQSA of material changes to their circumstances, and those include possible impacts on their financial status. I gave examples in the letter of the impacts. I reminded providers that particularly in light of the impact on possibly the international market, the changes to funding in a number of states and territories in regard to vocational education and training where we have a number of providers that are multi-sector providers and so there is the possibility for an impact on dual-sector providers and some of their VET funding is compromised, we are keen to ensure that that will not have any consequential impact on the quality of their higher education provision. In that letter I reminded all CEOs and vice-chancellors that they need to be notifying TEQSA if they felt that the impact of any of the changes in their circumstances, financial or otherwise, would threaten in any way their capacity to meet the threshold standards and that they had a responsibility to notify TEQSA. We are concerned about any impact—whether it is financial, whether it goes to the changing nature of the student body, whether it is the nature of delivery—and it is an issue that we will look at in the process of our regulatory activity.

Senator CAMERON: Could you provide a copy of that letter to the committee?

Dr Nicoll: Yes, I am happy to.

ANSWER

TEQSA provides the attached letter in response to the Senator's Question on Notice.



28 May 2012

Dear

NOTIFYING TEQSA OF MATERIAL CHANGES

The Tertiary Education Quality and Standards Agency (TEQSA) has valued the opportunity to work with all our stakeholders during the first six months of our operations.

Your organisation will now be familiar with your TEQSA Case Manager, and have opportunities for regular communication with them should you need clarification on any issues. As part of our regular dialogue I would like to draw your attention to the requirements for notifying TEQSA of Material Changes.

Under sub-section 29(1) of the *Tertiary Education Quality and Standards Agency Act* (TEQSA Act) 2011, it is the responsibility of a registered higher education provider to notify TEQSA of events that happen or are likely to happen and that will either significantly affect the provider's ability to meet the Threshold Standards or will require the provider's entry on the National Register of Higher Education Providers to be updated.

This notification process is particularly important in the current environment, where I know that many higher education providers are carefully considering an unpredictable financial context across the tertiary education sector; continuing uncertainty in the international student market and the impact across the sector of lifting of caps on Commonwealth supported undergraduate places.

The Material Change notification process enables TEQSA to monitor any potential adverse impact of events and changes on students, and the sector's international reputation. This goes to the objects of the TEQSA Act, and is in the interests of all our stakeholders.

More information on the circumstances for notifying TEQSA of a Material Change is available by reading the 'Guide for Notifying TEQSA of a Material Change' which is available on our website, http://www.teqsa.gov.au/sites/default/files/Material%20Guide_final.pdf.

Yours sincerely

Dr Carol Nicoll PSM
Chief Commissioner