



Dr Mary Russell  
Acting Chief Executive Officer  
Tertiary Education Quality and Standards Agency (TEQSA)  
Level 11, 452 Flinders Street  
Melbourne VIC 3000

25 September 2023

Dear Dr Russell

**Regarding: TEQSA fees and charges consultation August 2023**

Thank you for the opportunity to share our views in response to the August 2023 fees and charges consultation paper relating to the TEQSA Cost Recovery Implementation Statement (CRIS). While we appreciate the opportunity, we are disappointed to see that the concerns we raised last year have still not been taken into consideration.

We understand that there are some economies provided to institutions with smaller numbers of students. However, the introduction of a levy and increase in the registration renewal fees we will experience have a significant detrimental impact on our ability to continue to deliver affordable and accessible education.

We would like to reiterate our position from our previous correspondence to Minister Clare on this issue. That is, the cost recovery model unfairly impacts small independent education providers, such as IIA-Australia. Whilst the premise of the CRIS is direct cost recovery for work undertaken, this does not take into consideration the vastly different scale of organisations that are subject to the fees. For example, the renewal of registration fee and the annual levy would not make a material difference to a large university, but it does make a significant impact to small organisations, such as ours.

This year we have been left with no option other than to increase our fees. Semester Two 2023 has seen a considerable drop in enrolments, which when combined with the increase to fees, may mean this course becomes unviable in the future.

Attached is our letter from last year to Minister Clare for your reference. We would welcome to opportunity to discuss this with you at your convenience.

Yours sincerely

Peter Jones  
Chief Executive Officer  
The Institute of Internal Auditors Australia

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The Honorary Jason Clare MP  
Minister for Education  
PO Box 153  
Bankstown, NSW, 1885

16 November 2022

Dear Minister Clare

**Regarding TEQSA Cost Recovery Implementation Statement:**

- The Institute of Internal Auditors Australia (IIA-Australia)
- The Governance Institute of Australia

We would like to request a meeting to discuss the recently announced changes to the cost recovery model for the Tertiary Education Quality and Standards Agency.

We are independent professional membership associations. We are also Institutes of Higher Education as defined in the *Higher Education Standards Framework (Threshold Standards) 2021* made under section 58(1) of the *Tertiary Education Quality and Standards Agency Act 2011*.

We provide advocacy, guidance and professional development across the professions represented by our respective memberships. For the betterment of the professions, the community and public accountability, we also offer higher education qualifications. We only offer a very small range of single discipline courses.

It is our collective view that the cost recovery model for higher education as outlined in TEQSA's Cost Recovery Implementation Statement 2022-23 (CRIS) unfairly impacts small independent education providers, such as ourselves. We also believe the model will lead to a number of unintended consequences including a decrease in the availability of specialised education in Australia.

Please see below a number of issues we would like to raise:

**Inequitable burden**

The cost recovery model that imposes the same fee to all regardless of size places an unfair and inequitable burden on smaller education providers.

Whilst the premise of the CRIS is direct cost recovery for work undertaken, this does not take into consideration the vastly different scale of organisations that are subject to the fees. For example, the \$30k annual registration fee would not make a material difference to a large university, but it does make a significant impact to the cost of running small courses. We also believe the fees are not proportionate to the regulatory work involved in registering and accrediting our organisations.

The increased fees will have a negative impact on our students. This will be through increased tuition fees or reduced learning and teaching resources. It could also lead to the closure of some courses.

Whilst the discounting model for some application-based costs is welcome, we believe this should apply to all charges, including (re)registration and the significant registered higher education provider (RHEP) charge.

### Skills Shortages

The ALP pledged in the [Your Education](#) plan, “*Labor will aim to prioritise the new funding for universities which are able to offer additional courses in national priority areas ...where there are skills shortages.*”

The increased fees will have a detrimental impact on a number of important professions that are already suffering from skill shortages. This covers areas of great importance to the Australian economy, including accounting, internal audit, taxation advice, governance and risk. The education we provide is highly specialised and is not something that can easily be replicated by universities or other tertiary institutions. Any disruption to education in these areas would be detrimental for the thousands of Australian listed, private and government organisations (including regulators) who rely on the expertise of our members and students.

Increased course fees are also more likely to hamper career progression for those who are more price sensitive. This will include women, those from low socio-economic backgrounds and students from areas such as the Pacific Islands.

### Our Request for Review

Overall, we believe the implementation of the cost recovery model will have a number of unintended consequences including making specialised courses unviable.

We would like to request a meeting at your earliest convenience to discuss this important issue. If this is possible, please notify Christine Toll at IIA-Australia ([Christine.toll@iia.org.au](mailto:Christine.toll@iia.org.au) or [REDACTED]), who will coordinate a suitable time.

Your sincerely



Peter Jones  
Chief Executive Officer  
IIA-Australia



Megan Motto  
Chief Executive  
Governance Institute of Australia Ltd