



# Cost Recovery Review 2026-27

## Summary of Consultation

### Introduction

ASQA undertook public consultation on its draft 2026-27 Cost Recovery Implementation Statement (CRIS) over a four-week period from 28 January to 27 February 2026. Consultation included release of the draft CRIS and consultation paper, a webform for submissions, a public webinar on 16 February and direct engagement with sector peak bodies and state and territory officials. ASQA received 55 webform submissions and additional feedback from peak bodies and states and territories. The review aims to ensure ASQA's cost recovery arrangements remain transparent, efficient and aligned with the Australian Government Charging Framework.

### What we heard

Across submissions and discussions, several consistent themes were raised:

- A desire for **further information** about changes to certain regulatory activities. For example, how performance assessment categories are determined, how compliance resolution pathways operate, and how complaint investigation charges are applied. Some also requested clearer explanations of how Annual Registration Charge (ARC) amounts are calculated for different provider types.
- Clarity regarding **transition arrangements and timing**, particularly for applications and compliance activities that may span the 1 July 2026 commencement.
- Some submissions noted the **value and cumulative cost burden** of increased fees and charges, and what service improvements or efficiencies providers could expect in return. In particular, the operating environment for **small, regional, remote, niche and specialist providers** was raised in relation to their capacity to absorb costs and maintain service delivery where markets are thin or geographically dispersed.
- Overall feedback was **generally receptive** of the changes and provided constructive feedback. Positive views were expressed about simplification of the model, particularly the move away from hourly rates to fixed fees.

ASQA acknowledges that small regional, remote and specialist providers face different challenges when compared to many other providers in the sector. ASQA has other avenues to address impacts on these providers, such as priority processing of certain applications, as well as consideration of fee waivers in certain circumstances.

In the case of providers with mature governance and strong compliance, ASQA has entered into delegation arrangements which enables them to perform some functions themselves (such as change of scope of registration), meaning that they do not need to make those applications to ASQA or pay the associated costs.

ASQA is limited in its ability to address other matters because they are required by legislation or the Australian Government Charging Framework, including the requirement to recover sector-wide costs under the ARC and the basis for the total ARC amount.

## What we will do

ASQA will reflect the consultation feedback in the final CRIS and supplementary documentation by:

- providing more detail on how performance assessment categories are determined; how compliance resolution pathways operate (including how providers can minimise costs in their approach to returning to compliance); and the circumstances that might result in an investigation of a complaint charge
- detailing transition arrangements
- clarifying ARC calculations for qualifications and units of competency, and
- describing how changes to fees and charges reflect regulatory process efficiencies.

## Next Steps

ASQA will finalise the CRIS and drafting of the revised Fees and Charges Determination Instruments. The Minister for Skills and Training will then seek agreement from State and Territory Skills Ministers to the revised instruments. Once signed, the instruments will be registered on the Federal Register of Legislation.

ASQA will continue to communicate guidance on the changes to fees and charges to the sector, including transitional arrangements in the lead up to 1 July 2026.

## Where to find more information

Consultation materials, the webinar recording, FAQs and updates are available on ASQA's [website](#).

# ASQA's Consultation on Cost Recovery Review 2026-27

**Objective:** Obtain stakeholder views on barriers to, or unintended consequences of, the proposed changes to cost recovery on providers and the broader VET sector.

## Our Engagement:

### Who

Feedback requested from:

- Providers & wider VET sector
- Sector Peak Bodies
- State & Territory Ministers and Officials

### How:

Consultation Period 28 January to 27 February 2026

Publication of:

- Draft CRIS
- Consultation Paper
- Feedback Survey



Public Webinar

- Held on 16 February 2026
- Recording Published on 24 February



Direct Engagement with:

- Sector Peak Bodies
- State and Territory Officials



### Communications



News Articles  
ASQA IQ  
ASQA Update  
Website Update



Email  
Social Media

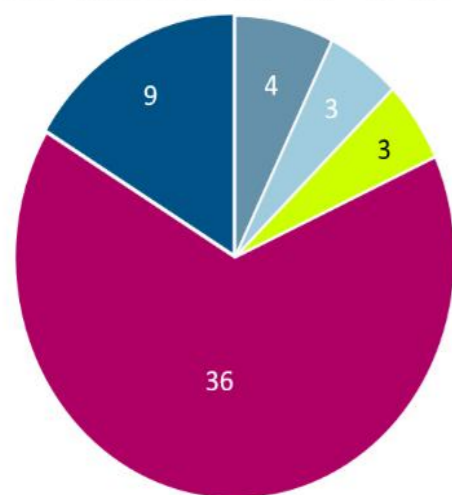


## Feedback Survey Results

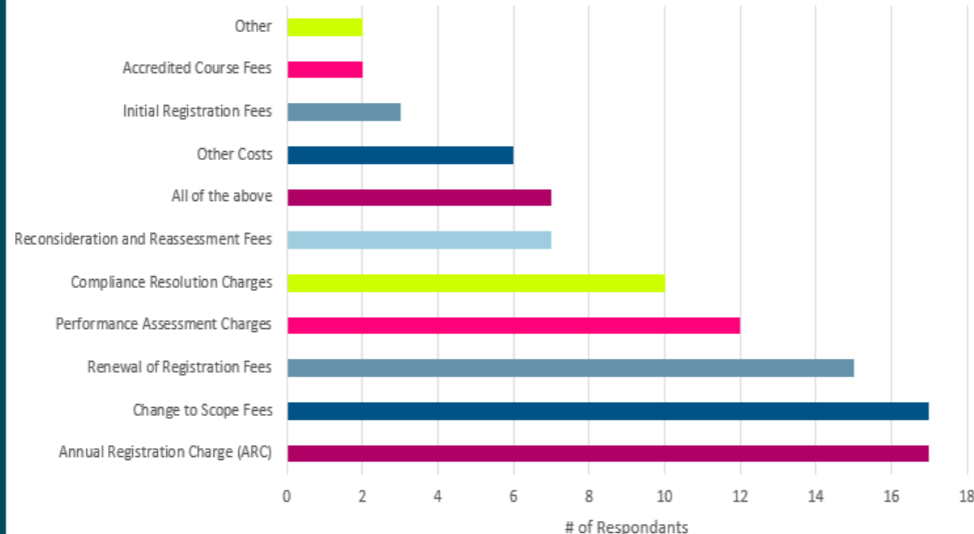
Total Number of responses 55

Stakeholder responses by type

■ Consultant ■ Industry Peak Body ■ Other ■ RTO ■ RTO + CRICOS provider



Stakeholders are keen for more information about the following categories



## Key Feedback Themes:



Impacts on small & regional providers



Transparency of Compliance charges



Benefits to providers and sector



Transitional arrangements and timeframes



Clarity on ARC calculations

## Feedback Outcomes:

the final CRIS sets out to provide details on:



Determination of compliance activity charges



Transition arrangements



ARC calculations



How changes reflect process efficiencies

## Matters identified out of scope of consultation of Draft CRIS

Matter Raised	Action
Transparency on compliance activities	Provide additional guidance on ASQA's regulatory approach
Impacts on small and regional providers	Use currently available avenues to address impacts case by case
Transparency of ASQA's performance	Improvement to overall reporting to sector