

# Cost Recovery Implementation Statement 2026-27

Policy



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Australian Government  
Australian Skills Quality Authority

ASQA

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# 1. Purpose

The purpose of the Australian Skills Quality Authority (ASQA) is to ensure quality vocational education and training (VET) so that students, industry, governments and the community have confidence in the integrity of national qualifications issued by training providers.

This Cost Recovery Implementation Statement (CRIS) provides information on how ASQA applies cost recovery through its fees and charges for its regulatory activities from 1 July 2026. These regulatory activities relate to:

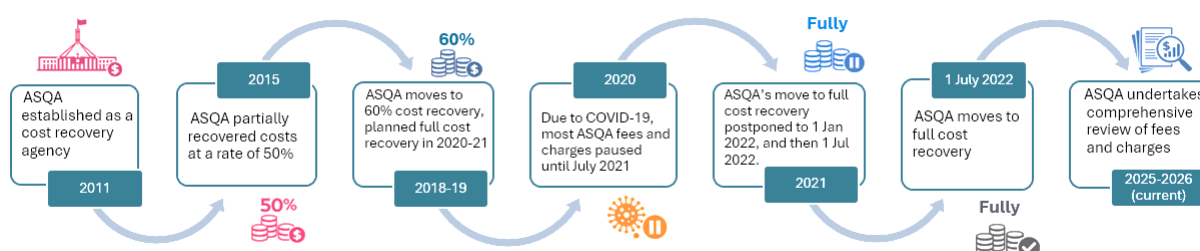
- ASQA-regulated registered training organisations (RTOs) that offer VET to domestic students
- Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) registered providers that deliver VET to overseas students who are studying in Australia on student visas and English Language Intensive Courses for Overseas Students (ELICOS) providers who are not otherwise regulated by another Education Services for Overseas Students (ESOS) agency
- VET accredited course owners.

The CRIS reports actual financial and non-financial performance information for ASQA's regulatory activities and contains financial and demand forecasts for 2026-27 and 3 forward years. ASQA will maintain the CRIS until the activity or cost recovery has been discontinued.

## 2. Policy and Statutory Authority to Charge

### 2.1 Government Policy Approval to Cost Recover

Cost recovery involves government entities charging individuals or organisations some or all the efficient costs of a government activity. When ASQA was established in 2011, Government determined that the agency would be cost recoverable, initially partially and then transitioning to full cost recovery over time. In the 2018-19 Budget, Government announced that ASQA would transition to full cost recovery. This came into effect on 1 July 2022. The below figure outlines our cost recovery journey.



While ASQA is a fully cost recovered agency, the recoverable amount does not equal our total budget appropriation from Government. This is because there are certain costs that are not recoverable under the [Australian Government Charging Framework](#) (Charging Framework).

## 2.2 Statutory Authority to Charge

ASQA has the statutory authority to recover its costs through fees and charges that are payable by the organisations or individuals regulated by the National VET Regulator (ASQA):

- Fees are enabled under the provisions of the [National Vocational Education and Training Regulator Act 2011](#) (NVR Act).
- Other charges are enabled through the [National Vocational Education and Training Regulator \(Charges\) Act 2012](#) (Charges Act) which enables a cost recovery levy to be applied.
- Paragraph 157(1)(q) of the NVR Act, in conjunction with s232 and 232A, enables the National VET Regulator to recover costs from providers registered under the [Education Services for Overseas Students Act 2000 \(ESOS Act\)](#) where the National VET Regulator is the relevant ESOS Agency.

Section 232 of the NVR Act gives the Minister authority to make a legislative instrument determining fees that ASQA may charge for activities undertaken in the performance of its functions. Subsection 6B (1) of the Charges Act imposes the Annual Registration Charge (ARC) and gives the Minister the authority to make a legislative instrument determining the ARC payable by the sector. Both instruments are available on the Federal Register of Legislation.

ASQA's ESOS-related fees and charges are distinct from other ESOS-related charges administered by the Department of Education, such as the CRICOS Annual Registration Charge (CARC).

**Table 1 – ASQA's statutory authority for fees and charges**

Fee Type	References in the NVR Act
RTO registration fees	Paragraph 16(3)(b) Subsection 17(4) Subsection 31(2) Paragraph 32(2)(b)
Course accreditation fees	Paragraph 43(2)(b) Subsection 50(2) Subparagraph 51(3)(b)(ii) Subparagraph 52(4)(b)(ii)
Other fees	Paragraph 41(4)(b) Paragraph 200(3)(c) Subsections 232(1)
Charge Type	References in the Charges Act
National VET Regulator Annual Registration Charge	Section 6A
Compliance audit (also known as 'performance assessments')	Section 7
Charge for the investigation of a complaint about an NVR-RTO	Section 10
ESOS fees and charges	References in the ESOS Act
Annual Registration Charge	Paragraph 11(g)(ia)
Various fees	Paragraph 11(g)(ib)

## 3. Charging (Cost Recovery) Model

### 3.1 Cost Recovery Approach

[The Australian Government's cost recovery policy](#) promotes consistent, transparent and accountable charging for government activities and supports the proper use of public resources. The Charging Framework provides that where an individual or organisation creates the demand for a government activity to be regulated, they should generally be charged for the regulation of it, unless the government has decided to fund the activity.

Overall, ASQA's cost recovery model reflects our ongoing work to identify efficiencies in regulatory processes, to contain costs to administer those processes, and to align effort and costs to regulatory risk. Where it is possible to distinguish the level of effort required for particular activities, ASQA specifies separate fees for these. For instance, performance assessment activities vary in terms of their required regulatory effort and according to their scope, risk profile and complexity. As a result, ASQA has 4 charging categories for performance assessments.

#### **Application of full cost recovery**

The fees and charges in Appendix 1 give effect to the Australian Government decision that ASQA's regulatory activity be fully recovered through fees and charges. Of the approximately \$50 million of budgeted expenses, approximately \$42 million is recoverable. As set out below, there are specific costs excluded from cost recovery.

#### **Costs not fully recovered**

While ASQA is a fully cost recovered agency, this does not mean that 100% of all costs are recoverable (refer to Table 7).

##### *Exclusion of costs for Government-directed initiatives*

The Australian Government has determined that some of ASQA's sector-wide regulatory activities and initiatives will be funded as Budget measures.

##### *Exclusion of costs for internal review (reconsideration) of decisions*

Internal review activities, as a precursor to external review, are not compromised by implementing charges that could create a barrier to reconsideration and review that is key to best practice regulation (other than an application fee for reconsiderations which does not fully cover the costs of this work).

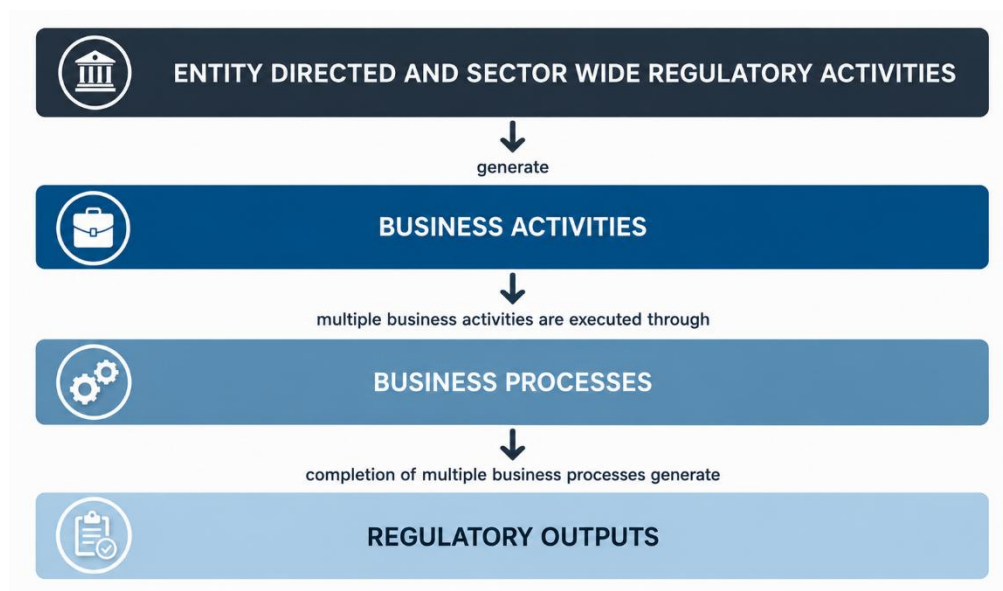
##### *Exclusion of costs for merits and judicial review of decisions*

The costs associated with external merits and judicial review of decisions, including through the Administrative Review Tribunal (ART), are not recoverable.

## 3.2 Outputs and Business Processes

ASQA's cost recovery model features both direct and indirect costs for:

- **Entity-directed activities (direct costs)** - for provider-specific activities, such as renewal of registration fees and performance assessment (compliance audit) charges.
- **Sector-wide activities (indirect costs)** - collected via an ARC which is calculated according to each providers' size, scope and registration type.



Appendix 1 outlines the outputs and business processes applicable to entity-directed and sector-wide activities.

## 3.3 Cost of the Regulatory Activity

ASQA's cost recovery model was built independently by modelling experts. It is robust and fit for purpose as a tool to minimise costs while improving quality outcomes and validating results.

Under ASQA's cost recovery model:

- **Direct costs** are for staff directly involved in the business processes associated with entity-directed and sector-wide regulatory functions and outputs (e.g. assessors, investigators, service delivery staff). This includes employee and supplier costs associated with these staff, such as travel, office supplies, and payroll expenses. Direct costs are allocated by the amount of time staff spend directly on the associated outputs.
- **Indirect costs** are enabling costs that cannot be attributed to a specific process or output. These include employee and supplier costs, associated information and communications technology costs, corporate services costs, and office accommodation. Indirect costs are allocated across entity-directed and sector-wide regulatory outputs.
- **Capital costs** are the initial cost of an asset and are not included in ASQA's cost recovery. However, depreciation of assets is included as indirect costs, to recognise the use of assets owned by ASQA in the performance of its tasks. Assets include those purchased and those generated through internal staff effort.

ASQA's cost recovery model was developed utilising activity-based costing, which:

- defines a hierarchy linking regulatory activities to specific outputs and tasks performed by ASQA staff
- accurately measures and assigns costs to the regulatory outputs, business processes and tasks

- uses relevant proxies for the allocation of indirect costs
- tracks the degree of alignment between expenses and revenue
- produces timely internal performance reporting.

## Methodology

ASQA’s cost recovery methodology allocates ASQA resources across regulatory and corporate activities, and therefore across ASQA’s fees and charges. To support efficient cost calculation, ASQA’s methodology integrates resource management, internal budgeting and activity-based costing into a single, consolidated cost recovery model. These elements operate together (rather than sequentially) and are reviewed on an ongoing basis. The internal budget informs the resource management plan and the activity-based costing model. In turn, the activity-based costing model guides how the internal budget is distributed and how resources are allocated, helping ensure ASQA’s regulatory outcomes are achieved.

**Table 2 – Key steps in the cost recovery methodology**

Key steps in the cost model	Description
Identify outputs	Identify all the regulatory outputs of ASQA and determine which ones are to be cost-recovered. Identify which cost recovered outputs are recovered by a per-transaction fee ('volume driven') and which are recovered through an ARC ('ARC funded').
Estimate expected volume	Estimate the number of annual transactions expected for each volume-driven output.
Identify efficient hours	Determine the efficient number of hours to perform a single transaction, for each volume-driven output.
Calculate employee cost per hour	Calculate the direct employee cost per hour for each volume-driven output. This calculation includes pay rates set out in the ASQA Enterprise Agreement, the level of staff employed in delivering the output, and the percentage of staff time directly attributable to delivering outputs.
Calculate direct employee costs	Multiply the expected volume by the efficient hours by the employee cost per hour, for each volume-driven output. For ARC-funded outputs, allocate budgeted direct employee costs based on advice from line managers.
Incorporate indirect costs	Sum all ASQA’s indirect costs and allocate them to every output in proportion to the number of staff directly working on each output.
Incorporate supplier costs	Allocate the total ASQA supplier expenses budget to every output, based on advice from line managers.
Calculate the ARC	For all outputs that are cost recovered through the ARC, sum the direct employee costs, indirect costs and supplier costs and allocate the total to each business area using a formula based on the number of courses and students. This sets the ARC for each provider for the year.
Calculate volume driven charges	For volume-driven outputs, rounded sum each output’s direct employee costs, indirect costs and supplier costs, and divide the total by the expected volume. This determines the charge per transaction.
Review	At the end of each year, or as necessary, review the outputs, volumes, efficient hours and costs to ensure charges continue to accurately reflect costs incurred.

The activity-based costing model summarises these costs as shown in Tables 3 to 7 below, with the estimated costs of ASQA's outputs for 2026-27, broken down by:

- type of output (entity-directed or sector-wide)
- cost recovery mechanism (e.g. application and assessment fees, ARC, or funded by the Australian Government).

**Table 3 – Estimated cost breakdown 2026–27**

Regulatory Activity	Entity-directed regulatory activities \$'000	Sector- wide regulatory activities \$'000	Total ASQA regulatory expenses \$'000	Budget funded expenses \$'000	Total ASQA expenses \$'000
Direct Costs	5,489	18,519	<b>24,008</b>	5,901	<b>29,909</b>
Indirect Costs	4,257	14,440	<b>18,697</b>	1,819	<b>20,516</b>
<b>Total Costs</b>	<b>9,746</b>	<b>32,959</b>	<b>42,705*</b>	<b>7,720</b>	<b>50,425</b>

**Table 4 – Estimated costs of entity-directed regulatory activity (application driven) 2026-27**

ASQA's entity-directed outputs	Direct cost \$'000	Indirect cost \$'000	Total cost \$'000
Initial Registration	1,092	793	<b>1,885</b>
Renewal of Registration	1,162	893	<b>2,055</b>
Changes to Registration	654	618	<b>1,272</b>
Course Accreditation	488	339	<b>827</b>
Reassessment	69	47	<b>116</b>
Reconsideration	864	640	<b>1,504</b>
<b>Total</b>	<b>4,329</b>	<b>3,330</b>	<b>7,659</b>

**Table 5 – Estimated costs of entity-directed regulatory activity (not application driven) 2026-27**

ASQA's entity-directed outputs	Direct cost \$'000	Indirect cost \$'000	Total cost \$'000
Compliance Audit (Performance Assessment Category 1)	311	273	<b>584</b>
Compliance Audit (Performance Assessment Category 2)	105	89	<b>194</b>
Compliance Audit (Performance Assessment Category 3)	581	420	<b>1,001</b>
Compliance Audit (Performance Assessment Category 4)	348	225	<b>573</b>
Compliance Resolution Pathway 1	1,461	1,235	<b>2,696</b>
Compliance Resolution Pathway 2	669	542	<b>1,211</b>
Compliance Resolution Pathway 3	468	329	<b>797</b>
Compliance Resolution Pathway 4	377	227	<b>604</b>
Onsite Compliance Visit	128	99	<b>227</b>
Student Assessment Validation Compliance	565	178	<b>743</b>
Financial Viability Assessment Compliance	257	89	<b>346</b>
Complaint Investigation Charge	988	829	<b>1,817</b>
<b>Total</b>	<b>6,258</b>	<b>4,535</b>	<b>10,793</b>

**Table 6 – Estimated costs of sector-wide regulatory activity 2026-27**

ASQA sector-wide (recovered through an Annual Registration Charge)	Direct cost \$'000	Indirect cost \$'000	Total cost \$'000
Extend measurement period (lapsing) VET	80	61	<b>141</b>
Extend measurement period (lapsing) CRICOS	37	29	<b>66</b>
Delegation assessment VET registration	247	194	<b>441</b>
Delegation application VET registration	216	174	<b>390</b>
Material change – Ownership	169	140	<b>309</b>
Material change – EO/HMA/Other	98	82	<b>180</b>
Amendment application VET registration – Fee protection	11	12	<b>23</b>
VET close a registration	247	199	<b>446</b>
Amendment application CRICOS registration – Fee protection	42	29	<b>71</b>
Extension requests to course transition period	12	8	<b>20</b>
Phone call interview (intelligence gathering)	140	128	<b>268</b>

Educative site visit	160	139	<b>299</b>
Self-assessment	115	89	<b>204</b>
Non-registered provider investigation	534	425	<b>959</b>
Phone call interview (compliance check)	245	209	<b>454</b>
ARC-based student assessment validations	37	24	<b>61</b>
Service delivery	1,677	1,646	<b>3,323</b>
Regulatory education	309	291	<b>600</b>
Regulatory support	2,060	1,469	<b>3,529</b>
Monitoring and data analysis	363	259	<b>622</b>
Industry engagement	283	220	<b>503</b>
Regulatory reporting	673	475	<b>1,148</b>
Regulatory stakeholder engagement and communication	445	326	<b>771</b>
Regulatory data	543	390	<b>933</b>
Regulatory intelligence	2,019	1,608	<b>3,627</b>
Regulatory policy and design	1,168	884	<b>2,052</b>
Qualification integrity	1,491	1,322	<b>2,813</b>
<b>Total</b>	<b>13,421</b>	<b>10,832</b>	<b>24,253</b>

**Table 7 – Estimated costs not recovered through fees and charges 2026-27**

ASQA sector-wide, not recovered via fees and charges	Direct cost \$'000	Indirect cost \$'000	Total cost \$'000
ASQA-initiated amendment	51	38	<b>89</b>
VET ART evidence review	278	225	<b>503</b>
VET ART proceedings	976	444	<b>1,420</b>
CRICOS ART evidence review	278	225	<b>503</b>
CRICOS ART proceedings	866	361	<b>1,227</b>
Legal decision	406	59	<b>465</b>
Government-funded projects	2,747	231	<b>2,978</b>
Freedom Of Information (FOI) response	300	235	<b>535</b>
<b>Total</b>	<b>5,902</b>	<b>1,818</b>	<b>7,720</b>

## 3.4 Regulatory Charges

### Registration

#### Initial Registration

An organisation seeking to be nationally registered as an NVR RTO and/or CRICOS provider (following 2 years of domestic delivery) must lodge an initial registration application with ASQA. The applicant must be able to demonstrate their organisation's commitment and capability to comply with – and remain compliant with – required Standards and legislative obligations, including conditions of registration.

#### Renewal of Registration

Renewal of registration is a periodic process whereby a provider demonstrates that they have met and will continue to meet, all their legislative requirements and obligations to maintain registration. ASQA assesses renewal applications by undertaking a risk-based assessment of the evidence and information it has available, including information provided by the RTO.

#### Changes to Registration

ASQA applies a risk-based approach when processing applications from providers seeking to change their scope of registration. A single application, per registration type, can include a maximum of:

##### **Application for change to NVR registration**

Up to 5 qualifications, and  
Up to 50 units of competency

##### **Application to amend CRICOS registration**

Up to 5 qualifications or ELICOS courses, and  
1 delivery site, and  
1 change in capacity

Where a provider wishes to change more than the maximum listed, they will need to submit an additional application and pay the associated fee.

The costs of ASQA's registration activities are shown in Table 8. Registration fees are at Appendix 1.

**Table 8 – Estimated costs of registration 2026-27**

Activity Type	Fee Type	Fees x Volumes \$'000	Expenses \$'000
Initial Registration	Initial registration application fee - VET	411	397
	Initial registration assessment fee - VET	750	747
	Initial registration application fee - CRICOS	144	142
	Initial registration assessment fee - CRICOS	593	599
Renewal of Registration	Renewal of registration application fee - VET	725	671
	Renewal of registration assessment fee - VET	900	905
	Renewal of registration application fee - CRICOS	175	163
	Renewal of registration assessment fee - CRICOS	280	280
	Late renewal of registration application fee	40	37
Changes to Registration	Change of scope application fee - VET	400	362
	Change of scope assessment fee - VET	440	398
	Amendment to scope application fee - CRICOS	260	243
	Amendment to scope assessment fee - CRICOS	286	268

# Performance Assessment and Monitoring

ASQA regularly monitors and evaluates whether providers are meeting their obligations and requirements under the VET Quality Framework and ESOS Framework. ASQA’s intelligence analysis also identifies Regulatory Risk Priorities which help inform targeted campaigns. These monitoring activities and performance assessments (compliance audits) are undertaken at any point in the provider lifecycle according to risk.

## Performance Assessment

ASQA has introduced fixed charges using a scaled classification approach to reflect differing levels of assessment complexity and effort involved in performance assessments. Four categories in a scaled model range from micro assessment to large-scale assessments.

Providers will be notified of their initial category and associated cost at the commencement of a performance assessment. If the scope expands during an assessment, the provider will be notified that their assessment has moved up the scale and the cost will be adjusted accordingly. Where performance issues or non-compliance is found, a provider will move into a Compliance Resolution Pathway.

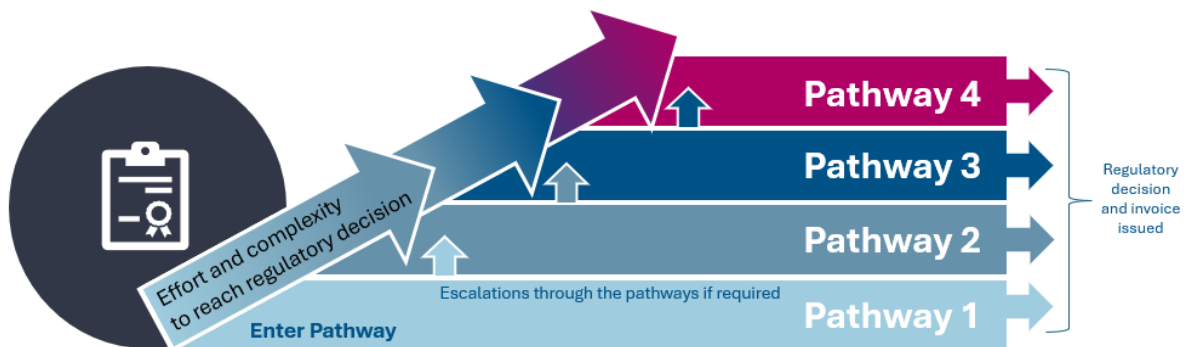
As per section 7(b) of the Charges Act, if a performance assessment is conducted outside Australia in whole or in part, any reasonable expenses incurred by ASQA relating to the audit or part of the audit are payable by the provider.



## Compliance Resolution

Where non-compliance is identified, ASQA will respond in a way that is proportionate to risk and work directly with the provider toward a return to compliance or manage the provider’s exit from the sector.

The four-tier compliance pathway model encourages providers to return to compliance and rectify issues in an effective and sustainable way. The 4 tiers reflect the effort and complexity involved for ASQA in working with a provider to achieve a compliance resolution, not the size of a provider or the severity of non-compliance. As the level of regulatory effort and complexity involved in resolving the non-compliances increases, the provider will progress through to the next tier.



### Investigation of a Complaint

Where a complaint is received, ASQA conducts an initial assessment of the validity of the complaint and determines whether it relates to ASQA's legislative functions and powers. Where the initial assessment determines that the alleged behaviours or risks require investigation, ASQA will undertake a complaint investigation. This charge is only applicable if the investigation findings substantiate the complaint allegations.

### Other Regulatory Charges

ASQA's revised regulatory approach includes a broader range of regulatory activities, including the use of shorter, lower impost interactions with providers that are proportionate to the identified risks.

Provision is made for the recovery of these costs as set out in Table 9. Performance assessment and monitoring charges are found at Appendix 1.

### Onsite Compliance Visit

This fee relates to an ASQA-initiated, in-person visit to review a specific provider risk that can only be assessed on-site. This fee will only be charged when the visit is not part of a Performance Assessment.

### Financial Viability Assessment Compliance

This fee will be incurred when an independent, specialist assessment of a provider's financial viability is initiated by ASQA due to concerns over specific and complex financial risks.

### Student Assessment Validation Compliance

ASQA may initiate targeted validations of student assessments to test a provider's assessment processes and outcomes for individual cohorts of students. The fee covers validation of one student's assessment evidence. Multiple students may be selected by ASQA as part of a validation exercise.

**Table 9 – Estimated cost of performance assessment and monitoring 2026-27**

Activity Type	Charge Type	Charge x Volumes \$'000	Expenses \$'000
Compliance Monitoring	Compliance Audit (Performance Assessment Category 1)	630	584
	Compliance Audit (Performance Assessment Category 2)	200	193
	Compliance Audit (Performance Assessment Category 3)	1,022	1,000
	Compliance Audit (Performance Assessment Category 4)	585	573
	Compliance Resolution Pathway 1	2,766	2,697
	Compliance Resolution Pathway 2	1,229	1,211
	Compliance Resolution Pathway 3	801	798
	Compliance Resolution Pathway 4	599	604
	Onsite Compliance Visit	233	227
	Student Assessment Validation Compliance	765	743
	Financial Viability Assessment Compliance	354	346
Investigation	Complaint Investigation Charge	1,884	1,817

### Reassessments and Reconsiderations

When making a decision that adversely affects a provider/applicant or (depending on the matter being decided) a course owner, ASQA decision-makers provide procedural fairness. This means ensuring a fair process and providing robust reasons for decisions.

#### Reassessment

Reassessment is a process where, following a decision by ASQA to place a condition on, amend the scope of, or suspend a provider, that provider can apply for a reassessment by supplying evidence demonstrating that it has effectively resolved the issues identified. If, as a result of the reassessment, ASQA is satisfied the issue is resolved, the condition, amendment or suspension may be lifted.

#### Reconsideration

Reconsideration (internal review) is a process whereby applicants request a review of a reviewable regulatory decision made by ASQA (as prescribed in section 199 of the NVR Act, or section 169AB of the ESOS Act). Reconsiderations require an application and assessment per registration type.

The costs of ASQA's entity-directed reassessments and reconsiderations are shown in Table 10 together with the fees and volumes that will be applied. Reassessment and reconsideration charges are found at Appendix 1.

**Table 10 – Estimated cost of reassessments and reconsiderations 2026-27**

Activity Type	Fee Type	Fees x Volumes \$'000	Expenses \$'000
Reassessment	Reassessment application fee	10	10
	Reassessment assessment fee	102	107
Reconsideration	Application for reconsideration of decision/s (per registration type)	62	1,504

### Course Accreditation

VET accredited courses address skills requirements where these are not covered in nationally endorsed training packages. Accreditation means the course is nationally recognised and that, on completion of the course, an RTO can issue a nationally recognised VET qualification or, following full or partial completion by learners, a VET statement of attainment. Not all applications for VET accredited courses come from RTOs – other entities such as industry bodies can also apply to become course owners. These costs as set out in Table 11. Course accreditation charges are found at Appendix 1.

**Table 11 – Estimated cost of course accreditation 2026-27**

Activity Type	Fee Type	Fees x Volumes \$'000	Expenses \$'000
Course Accreditation	Accreditation application fee	27	26
	Accreditation assessment fee	214	218
	Renewal of accreditation application fee	54	51
	Renewal of accreditation assessment fee	507	516
	Accreditation amendment fee	15	15

## Annual Registration Charge (ARC)

The ARC recovers the costs of ASQA's sector-wide regulatory activity (as shown in Table 6). These regulatory outputs result from tasks that are necessarily performed by ASQA but have limited nexus with individual providers. These whole-of-sector regulatory activities are not indicative of the risk any individual provider poses to quality VET, nor are they indicative of the regulatory effort that ASQA will expend on an individual provider.

Providers holding both a NVR registration and CRICOS registration pay a different ARC to NVR-only or ELICOS-only providers to reflect the additional regulatory effort and oversight required of delivery to overseas students. Each ASQA-regulated provider will therefore fall under 1 of 2 ARC matrices:

1. Providers with **only** NVR registration **or only** CRICOS (ELICOS) registration
2. Providers with **both** NVR and CRICOS registrations

The ARC matrices have 5 tiers, applied on the number of qualifications and/or units of competency on scope and the number of unique student enrolments.

For providers delivering only units of competency, every 10 units of competency (or part thereof) will count as equivalent to 1 qualification for ARC purposes. For providers delivering a mix of units of competency and full qualifications, their ARC will be calculated based only on the number of full qualifications they have on scope.

For providers delivering only ELICOS courses, every ELICOS course will count as one qualification for ARC purposes. Student enrolments are not taken into account for ELICOS-only providers when calculating their ARC.

Students enrolled in nationally accredited qualifications (or units of competency), courses and skill sets are counted for the purposes of the ARC; students who have multiple enrolments at a provider in a calendar year are only counted once.

The ARC matrices and amounts payable by providers are found at Appendix 1.

**Table 12 – Estimated Cost of the Annual Registration Charge 2026-27**

Annual Registration Charge	ARC x Volumes \$'000	Expenses \$'000
Total Annual Registration Charge	23,768	24,252

## 4. Risk Assessment

ASQA's regulatory risk framework, operating model and regulatory activity is based on risk to quality VET and reflects a proportional approach to those risks, rather than the business of the regulated entity.

ASQA's annual environmental scan identifies and analyses the risks across the VET and ELICOS sectors and provides a snapshot of key risks. This and other risk assessment activities help ASQA to prioritise its regulatory and quality assurance activities based on the principles of regulatory necessity, reflecting risk, and proportionate regulation, per the requirements of the NVR Act, and inform risk-based regulation of providers under the ESOS Act.

ASQA considers the history and context of each provider, its approach to delivery, and findings from previous assessment processes (favourable and adverse). ASQA undertakes an analysis of risk against a series of indicators, guided by thresholds, trends and other relevant information.

At an aggregate level, and to provide a broad overview of risks in the sector and to share information on good practices, ASQA also publishes high-level sector analyses from time to time. Information on risks in the sector and good practices may also be shared through guidance on ASQA's website and presentations at ASQA provider roundtables, forums or conferences.

ASQA has carried out a risk assessment for this cost-recovery arrangement during the review process, based on the assessment of the criteria in the Department of Finance Charging Risk Assessment. The overall rating given to this cost-recovery arrangement is medium.

## 5. Financial Performance

ASQA applies a broad range of regulatory tools and activities, implements a range of reforms, and plays a proactive role in protecting the integrity and reputation of Australia's VET system.

ASQA's annual appropriation is determined by Government through the Budget process. Regulatory costs will continue to be aligned to these yearly appropriations.

### 5.1 Financial Estimates

The following table details the financial projections for the 2026-27 financial year and forward estimates for the following 4 years.

**Table 13 – Financial estimates, July 2026 – June 2031**

ASQA Forward Estimates	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
<b>Total Departmental Expenses</b>	<b>50,425</b>	<b>48,883</b>	<b>50,003</b>	<b>51,024</b>	<b>52,076</b>
less: Costs Excluded from Cost Recovery	(7,720)	(4,857)	(4,947)	(5,029)	(5,114)
<b>Total Cost Recoverable Expenses (A)</b>	<b>42,705</b>	<b>44,026</b>	<b>45,056</b>	<b>45,995</b>	<b>46,962</b>
ASQA Revenue - Fees & Charges	41,230	42,256	43,289	44,331	45,399
<b>ASQA Revenue (B)</b>	<b>41,230</b>	<b>42,256</b>	<b>43,289</b>	<b>44,331</b>	<b>45,399</b>
<b>Cost Recovery % (B / A)</b>	<b>97%</b>	<b>96%</b>	<b>96%</b>	<b>96%</b>	<b>97%</b>
<b>Cost Recovery % (B / Total)</b>	<b>82%</b>	<b>86%</b>	<b>87%</b>	<b>87%</b>	<b>87%</b>

## 5.2 Financial Outcomes

Revenue collected through cost recovery is returned to the Australian Government's Consolidated Revenue Fund.

**Table 14 – Historical financial performance, July 2020 – June 2025**

Financial Option	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Employee	24,432	23,542	25,696	30,993	34,421
Supplier	13,260	20,179	15,259	9,746	14,428
Depreciation	6,240	6,597	6,220	7,175	5,597
<b>Total Departmental Expenses</b>	<b>43,932</b>	<b>50,318</b>	<b>47,175</b>	<b>47,914</b>	<b>54,446</b>
Less: funding excluded from cost recovery	(4,516)	(13,905)	(9,163)	(8,788)	(13,913)
<b>Total Cost Recoverable Expenses (A)</b>	<b>39,416</b>	<b>36,413</b>	<b>38,012</b>	<b>39,126</b>	<b>40,533</b>
ASQA Revenue – Fees & Charges	2,025	2,426	24,535	27,611	25,009
ASQA Revenue – Fee Relief	20,675	21,454	—	—	—
<b>ASQA Revenue (B)</b>	<b>22,700</b>	<b>23,880</b>	<b>24,535</b>	<b>27,611</b>	<b>25,009</b>
<b>Cost Recovery % (B÷A)</b>	<b>58%</b>	<b>66%</b>	<b>65%</b>	<b>71%</b>	<b>62%</b>
ASQA Revenue Actuals	2,025	2,426	24,535	27,611	25,009
ASQA Revenue Estimate – Portfolio Budget Statements	916	10,217	36,601	37,361	37,468
Variation in Revenue Estimates	1,109	(7,791)	(12,066)	(9,750)	(12,459)
Cumulative Variance in Revenue Estimates	1,109	(6,682)	(18,748)	(28,498)	(40,957)

## 6. Stakeholder Engagement

ASQA undertook public consultation over a 4-week period from 28 January 2026 to obtain feedback from the sector regarding any barriers to, or unintended consequences of, the proposed changes. The consultation process included:

- public release of the consultation paper and draft CRIS
- webform for stakeholder submissions
- public information webinar on 16 February 2026
- direct consultation with sector peak bodies and State and Territory officials.

At the closure of the consultation period, 55 submissions were received and 4 sector peak bodies provided feedback. ASQA took this feedback into consideration when finalising the CRIS.

Consultation did not identify any material issues with the draft CRIS or proposed changes to fees and charges. Feedback centred on implementation, clarity of regulatory approach and proportionality of costs.

### Views expressed by stakeholders

- Overall support for the proposed approach, including endorsement of fixed fees for regulatory activities.
- Viability impacts for small, regional/remote, niche and thin-market providers, including capacity to absorb fixed costs and potential impacts on market diversity.
- Desire for greater clarity on ASQA's regulatory approach, including how performance assessment categories are assigned, how compliance resolution pathways operate, and when/how investigation of a complaint charges apply.
- Desire for more information about implementation, governance and review, including transitional arrangements for regulatory activities spanning 1 July 2026.

The detail set out in this document provides clarity regarding how ASQA has calculated the appropriate amounts for each of its fees and charges while working within the requirements in the Australian Government Charging Policy.

In keeping with the Australian Government Cost Recovery Policy, ASQA will continue to consult the sector on its approach to the regulatory activities covered by cost recovery, the administrative arrangements for implementing cost recovery, and on the impacts on providers.

## 7. Non-Financial Performance

ASQA reports on its non-financial performance in line with the Commonwealth Performance Framework. ASQA aligns its performance measures with the guidance in Resource Management Guide 128: Regulator Performance, issued by the Department of Finance.

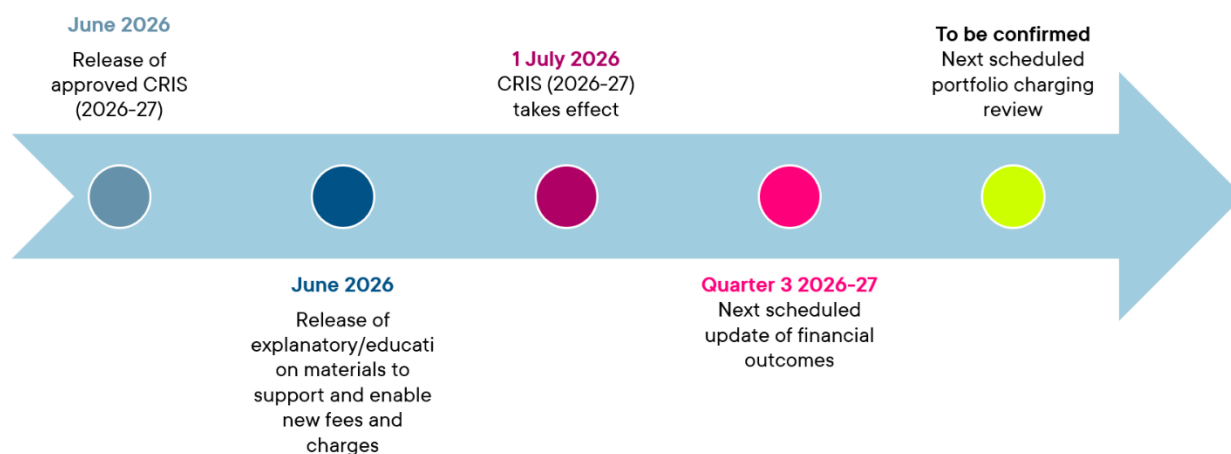
ASQA's Strategic Objectives align with the performance criteria in the Portfolio Budget Statements and reflect our regulatory priorities, organisational values, and impact on the VET sector:

1. Our regulatory approach is transparent, accountable, and evidence-based, responding proportionately to risk and enabling provider self-assurance and continuous improvement
2. We engage, collaborate and partner with stakeholders to improve regulatory outcomes.
3. Our people and operations are supported and highly skilled to deliver and continuously improve.

ASQA's key activities for the 2026–27 financial year are contained in our 2026–27 Corporate Plan.

## 8. Key Forward Dates

**Table 15 – Key forward dates and events**



## 9. CRIS Approval and Change Register

**Table 16 – Approval and change register**

Date of CRIS change	CRIS change	Approver	Basis for change
29 June 2015	Certification of the CRIS	Accountable Authority	Consistency with the Australian Government Charging Framework
2 September 2015	Approval for the CRIS release	Assistant Minister Vocational Education and Skills	Consistency with the Australian Government Charging Framework
1 July 2017	Amend CRIS to reflect ARC	Editorial update by Chief Financial Officer	Amendment to the NVR (Charges) Act 2012
1 August 2017	Redrafted CRIS for consultation on the proposed new fees and charges structure	Assistant Minister Vocational Education and Skills	New Fees and Charges
14 June 2018	Certification of the CRIS	Accountable Authority	New Fees and Charges
26 June 2018	Approval of the CRIS	Assistant Minister Vocational Education and Skills	New Fees and Charges
29 June 2018	Agreed the CRIS for release	Minister for Finance	New Fees and Charges
9 November 2021	Amendment of the CRIS to reflect 2021 context including waiver of fees and charges	Deputy Chief Executive Officer (CEO)	Reflect contemporary arrangements
10 November 2021	Certification of the CRIS	Accountable Authority	Reflect contemporary arrangements
22 November 2021	Agreed the CRIS for release	Minister for Employment, Workforce, Skills, Small and Family Business	Reflect contemporary arrangements
10 December 2021	Certification of draft CRIS proposing July 2022 fees and charges for consultation	Deputy CEO	Reflect planned changes
21 December 2021	Agreed the draft CRIS for release for consultation	Minister for Employment, Workforce, Skills, Small and Family Business	Reflect planned changes
21 February 2022	Department of Finance confirmation of medium risk rating	Department of Finance	Reflect current risk rating
23 November 2022	Amendment of the CRIS to reflect outcomes of consultation on changes proposed from July 2022	Deputy CEO	Reflect planned changes
28 February 2022	Certification of the CRIS	Accountability Authority	Reflect planned changes

Date of CRIS change	CRIS change	Approver	Basis for change
16 March 2022	Certification of draft CRIS proposing July 2022 fees and charges for consultation	Minister for Employment, Workforce, Skills, Small and Family Business	Reflect planned changes
16 January 2026	Update of financial estimates, description of costs and charges and business processes	Accountability Authority	Revalidation of the costing model (operational change and changes in assumptions)
21 January 2026	Agreed the draft CRIS for release for consultation	Minister for Skills and training	Reflect planned changes and approach
29 April 2026	Department of Finance confirmation of medium risk rating	Department of Finance	Reflect current risk rating
23 June 2026	Certification of the CRIS	Accountability Authority	Reflect planned changes and approach

## Appendix 1 – Fees and Charges

**Table 17 – Application-based fees 2026–27**

Activity Type	Fee Type	Fee \$
Initial Registration	Initial registration application fee - VET	2,350
	Initial registration assessment fee - VET	5,000
	Initial registration application fee - CRICOS	2,400
	Initial registration assessment fee - CRICOS	3,950
Renewal of Registration	Renewal of registration application fee - VET	1,250
	Renewal of registration assessment fee - VET	3,000
	Renewal of registration application fee - CRICOS	1,250
	Renewal of registration assessment fee - CRICOS	2,800
	Late renewal of registration application fee	500
Changes to Registration	Change of scope application fee - VET	200
	Change of scope assessment fee - VET	1,100
	Amendment to scope application fee - CRICOS	200
	Amendment to scope assessment fee - CRICOS	1,100
Course Accreditation	Course Accreditation Application Fee	1,350
	Course Accreditation Assessment Fee	10,700
	Renew Course Accreditation Application Fee	900
	Renew Course Accreditation Assessment Fee	8,450
	Amendment Course Accreditation Assessment Fee	2,900
Reassessment	Reassessment application fee	500
	Reassessment assessment fee	5,100
Reconsideration	Application for reconsideration of decision/s (per registration type)	1,000

**Table 18 – Non-application based charges 2026–27**

Activity Type	Charge Type	Charge \$
Compliance Monitoring	Compliance Audit (Performance Assessment Category 1)	900
	Compliance Audit (Performance Assessment Category 2)	4,000
	Compliance Audit (Performance Assessment Category 3)	7,300
	Compliance Audit (Performance Assessment Category 4)	11,700
	Compliance Resolution Pathway 1	6,650
	Compliance Resolution Pathway 2	13,650
	Compliance Resolution Pathway 3	22,250
	Compliance Resolution Pathway 4	33,300
	Onsite Compliance Visit	4,650
	Student Assessment Validation Compliance	2,550
	Financial Viability Assessment Compliance	11,800
Investigation	Complaint Investigation Charge	15,700

**Table 19 – Annual registration charges 2026–27**

NVR RTO only; or CRICOS only	0-99 Students	100-249 Students	250-499 Students	500-999 Students	1,000+ Students
Tier 1: 0-4 Qualifications	\$ 1,800	\$ 2,800	\$ 4,100	\$ 6,100	\$ 9,300
Tier 2: 5-10 Qualifications	\$ 5,400	\$ 6,400	\$ 7,500	\$ 9,000	\$ 10,800
Tier 3: 11-25 Qualifications	\$ 9,500	\$ 10,500	\$ 11,600	\$ 12,900	\$ 14,300
Tier 4: 26-50 Qualifications	\$ 13,600	\$ 15,100	\$ 16,600	\$ 18,400	\$ 20,400
Tier 5: 51+ Qualifications	\$ 19,200	\$ 21,100	\$ 23,500	\$ 26,000	\$ 28,800

NVR RTO + CRICOS	0-99 Students	100-249 Students	250-499 Students	500-999 Students	1,000+ Students
Tier 1: 0-4 Qualifications	\$ 2,000	\$ 3,200	\$ 4,600	\$ 6,900	\$ 10,500
Tier 2: 5-10 Qualifications	\$ 6,100	\$ 7,200	\$ 8,400	\$ 10,100	\$ 12,200
Tier 3: 11-25 Qualifications	\$ 10,700	\$ 11,800	\$ 13,100	\$ 14,500	\$ 16,100
Tier 4: 26-50 Qualifications	\$ 15,300	\$ 17,000	\$ 18,700	\$ 20,700	\$ 23,000
Tier 5: 51+ Qualifications	\$ 21,600	\$ 23,700	\$ 26,400	\$ 29,300	\$ 32,400