

21 September 2012

Mr Don Hudgson Project Manager Victorian Registration and Qualifications Authority Level 7, 55 Collins Street MELBOURNE VIC 3000

Dear Mr Hudgson

Level 14, 55 Collins Street Melbourne Victoria 3000 GPO Box 4379 Melbourne Victoria 3001 telephone (03) 9092 5800 facsimile (03) 9092 5845 email contact@vcec.vic.gov.au web www.vcec.vic.gov.au

ADVICE ON THE ADEQUACY OF REGULATORY IMPACT STATEMENT

Thank you for seeking advice on the Regulatory Impact Statement (RIS) on the proposed Education and Training Reform Act 2006: Ministerial Fees Order.

The Victorian Competition and Efficiency Commission (VCEC) advises on the adequacy of RISs as required under section 12H(3) of the *Subordinate Legislation Act 1994* (the Act). I advise the final version of the RIS received by the VCEC on 18 September meets the requirements of section 12H of the Act.

The VCEC's advice is based on the adequacy of the evidence presented in the RIS and is focused on the quality of the analysis rather than the merits of the proposal itself. Therefore, the VCEC's advice that the RIS is adequate does not represent an endorsement of the proposal.

The RIS notes increases in the fees charged to vocational education and training providers may encourage some operators to seek to be regulated by the Australian Skills Quality Authority, although the extent to which this may occur is uncertain. Stakeholder feedback will assist Victorian Registration and Qualifications Authority (VRQA) to analyse the impacts of increased costs, both financial and substantive compliance costs, resulting from future increases in fees as well as the proposed consumer protection regulation.

The VRQA also proposes to maintain fees for secondary education providers, including overseas student service operators, at their current level due to concerns about the ability of this sector to accommodate increases in these fees and legislative restrictions on the range of fees VRQA could impose. Stakeholder feedback on these issues will assist the VRQA to develop the most appropriate fees for this sector in the long term.

In the interests of transparency, it is government policy VCEC's advice be published with the RIS when it is released for consultation.

If you have any questions, please contact RegulationReview@vcec.vic.gov.au.

Yours sincerely

Andrew Walker

Assistant Director

Victorian Competition and Efficiency Commission

