



Australian Government
Department of Education

Modernising and Strengthening TEQSA's Powers

Consultation Paper





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The document must be attributed as the Modernising and Strengthening TEQSA's Powers Consultation Paper.

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1. Introduction

A better and fairer higher education¹ sector requires robust and modern regulation to align with government and community expectations. This is important because a successful higher education sector is vital to Australia's future. Higher education creates the knowledge, skills and research essential for a prosperous, innovative and fair nation.

This Consultation Paper invites views about the future regulation of Australian higher education and on potential changes to the *Tertiary Education Quality and Standards Agency Act 2011* (TEQSA Act) to allow the Tertiary Education Quality and Standards Agency (TEQSA) to step in and act when it's justified in the public interest. The Consultation Paper focuses on four areas for potential amendments:

- A regulatory system that puts students first;
- A modern regulator with powers to address emerging and systemic challenges;
- Opportunities to streamline regulation for universities and other higher education providers, so they can focus on teaching and learning; and
- A system that supports a joined up tertiary system, helping more Australians get the skills and qualifications they need.

The Department of Education is seeking views from higher education students, staff, providers, and the wider community. It invites responses to the questions in this Consultation Paper via teqsair@education.gov.au. Responses are sought by **5:00pm, Friday 17 October 2025**.

1.2 The need to modernise and strengthen TEQSA's powers to better meet the standards students, staff and the community expect of our universities

The TEQSA Act is the enabling legislation that establishes Australia's independent, national regulator of higher education, TEQSA. The Act has not had a significant review since it was legislated almost 15 years ago. The tertiary education sector in Australia has changed over that time and faces new challenges that did not exist when TEQSA was established.

The regulatory and policy landscape in which TEQSA exists has evolved since it was created. In the past year the National Student Ombudsman (NSO) and the Australian Tertiary Education Commission (ATEC) have been established. In this new regulatory environment, it's vital TEQSA has the right powers to continue to deliver for students.

In addition to recommendations from the Australian Universities Accord (Universities Accord), recent public processes have highlighted concerns on university governance. For example, the current Senate Inquiry has heard concerns about governing body representation, financial management, workplace fairness, and provider accountability.

TEQSA needs better tools to be able to step in and act when it's justified in the public interest. It also needs to be able to respond to systemic risks, not just the compliance of individual providers.

¹ A higher education award is defined as a diploma, advanced diploma, associate degree, bachelor degree, undergraduate certificate, graduate certificate, graduate diploma, masters degree, doctoral degree or a qualification covered by level 5, 6, 7, 8, 9 or 10 of the Australian Qualifications Framework.

Modernising and strengthening TEQSA's powers will allow it to take timely and appropriate actions to ensure universities are meeting the standards students, staff and the community expect.

There is also an opportunity to consider how changes to the TEQSA Act can support greater productivity by supporting a joined up tertiary system. The Australian Government has a goal to lift the tertiary attainment of working age people² which requires a modern regulatory approach. The right changes to the TEQSA Act will help achieve this goal.

1.3 Scope of consultation

The Australian Government is committed to ensuring the higher education regulatory system is student-centred, sustainable, and meets contemporary expectations. To support this aim, the Government will engage with a wide range of stakeholders to capture views on the emerging challenges higher education faces, ways to address these, and how best to ensure TEQSA's regulatory framework is fit-for-purpose for the decades to come.

Consultation is not focused on changes to the Higher Education Standards Framework, the role of the ATEC, or wider program design and funding arrangements for higher education. However, changes to the TEQSA Act may have implications for these areas.

The nature of any proposed changes to the TEQSA Act will be informed by input to this consultation process. Any changes will be subject to decisions of the Australian Government that will carefully weigh the costs and benefits of any changes to regulatory burden, including through a formal Impact Assessment.

2. Background

2.1 Tertiary Education Quality and Standards Agency (TEQSA)

Australia's higher education sector operates in a system made up of TEQSA, the Australian Government, state and territory governments, statutory bodies, and independent integrity bodies.

TEQSA itself was established in 2011 following the Review of Australian Higher Education: Final Report (the Bradley Review). The Bradley Review highlighted the need for a national approach to tertiary education regulation and quality assurance. The creation of TEQSA simplified the regulatory landscape and reduced the number of federal, state and territory regulatory bodies, improving efficiency and alleviating burden on providers.

TEQSA governance is overseen by a Commission, comprising up to five Commissioners, including a Chief Commissioner, and a Chief Executive Officer, supported by staff with regulatory, legal, and higher education expertise. TEQSA reports to the Minister for Education and works with the Department of Education, State and Territory governments, and other regulators. Its structure enables it to act as a national quality assurance body, applying the Higher Education Standards Framework (Threshold Standards) 2021 while seeking to balance institutional autonomy with public accountability.

² The Australian Government has adopted a tertiary education attainment target of at least 80% of the working age population with at least one tertiary qualification (Certificate III and above) by 2050. The 80% tertiary attainment target is a key recommendation of the Australian Universities Accord.

Under the TEQSA Act, TEQSA's core responsibilities include the initial registration of prospective providers and courses, cyclical re-registration of providers at least every seven years, provider category changes, and applications for self-accrediting authority and accreditation and re-accreditation of courses for non-self-accrediting authority providers.

TEQSA regulates the sector against the Threshold Standards, which set the baseline requirements for providers to enter and operate in Australia, as established by the TEQSA Act and Australian Qualifications Framework (AQF). They are high-level and principles-based and are designed to recognise the diversity and institutional autonomy of higher education providers in Australia.

2.2 Australian Skills Quality Authority (ASQA)

The Australian Skills Quality Authority (ASQA) was also established in 2011 by *the National Vocational Education and Training Regulator Act 2011*. Similar to TEQSA, it adopted a national approach to the regulation of vocational education and training (VET) in Australia, alongside state regulatory bodies for VET in Victoria and Western Australia, supported by referral of powers. Together, TEQSA and ASQA regulate tertiary education in Australia.

2.3 The Australian Universities Accord

More recently, the Universities Accord was developed across 2023 and 2024 to provide a comprehensive assessment of Australia's higher education system and a blueprint for the sector's future.³

The Universities Accord called for better measures to ensure providers protect students and their interests, an increase in provider diversity to support innovation and productivity, work to address governance failings, and for First Nations self-determination to be at the heart of the tertiary education system.

The Universities Accord also recognised the sector faces new challenges and needs an effective way to deal with these. It acknowledged that fragmented requirements across a number of Acts creates complexity for providers and also identified links between the higher education and VET sectors that could help create stronger shared purpose across tertiary education in Australia.

2.4 Australian Tertiary Education Commission (ATEC)

The ATEC is a key recommendation from the Universities Accord and began operating in an interim capacity from 1 July 2025, and permanently from 1 January 2026, subject to the passage of legislation.

Legislation establishing the ATEC will outline its mandate, including driving the implementation of funding reforms, promoting a more joined-up and equitable tertiary education system, and fostering partnerships with First Nations peoples and organisations to embed their perspectives throughout the sector.

A central function of the ATEC will be to negotiate and enter enhanced mission-based compacts with publicly funded higher education providers. These compacts will articulate each provider's mission,

³ The Australian Universities Accord Final Report can be accessed here:
<https://www.education.gov.au/australian-universities-accord/resources/final-report>

strategic direction and performance objectives, and outline how institutions will contribute to the achievement of national objectives.

The ATEC will be distinct from TEQSA and its regulatory functions and should remain so to protect regulatory independence. However, both will collaborate on matters of shared relevance to enhance the quality, performance and outcomes of the sector and improve student experience. For example, if the ATEC identifies systemic non-compliance of a provider while managing mission-based compacts, it will consider referring such matters to TEQSA for investigation.

2.5 National Student Ombudsman

The NSO commenced operations in February this year as part of the Commonwealth Ombudsman and is an independent mechanism for student complaints about higher education providers. The NSO was a recommendation of the Universities Accord. It may receive student complaints on a range of issues, such as gender-based violence, antisemitism and other forms of racism, disciplinary processes, course administration, and reasonable adjustments for students with disability or special circumstances.

The NSO can consider whether decisions and actions by higher education providers are unreasonable, unjust, oppressive, discriminatory or otherwise wrong. It can pursue a number of remedies, for instance recommending a provider takes specific steps to resolve the complaint, offering a restorative engagement process between the student and provider if appropriate or sharing information with relevant regulators for further action if needed.

2.6 National Higher Education Code to Prevent and Respond to Gender-based Violence

The *Universities Accord (National Higher Education Code to Prevent and Respond to Gender-Based Violence) Act 2025* (the Code) empowers the Minister for Education to establish a mandatory national code requiring universities and higher education providers to prevent and respond to gender-based violence.

Once established as a legislative instrument, compliance with the Code will be a statutory condition under the *Higher Education Support Act 2003*. Compliance with the Code may be enforced using civil penalties, infringement notices, injunctions and enforceable undertakings. Providers must adopt a whole-of-organisation, trauma-informed approach covering leadership, prevention, training, accountability, and student accommodation, with executive responsibility and regular reporting.

Compliance with the Code will be administered by a new Gender-Based Violence Reform Branch within the Department of Education, which will ensure universities are held accountable for safety both on and off campus.

3. TEQSA's powers and operation

The TEQSA Act provides TEQSA with legislative powers to regulate all Australian higher education providers. In addition to its registration and accreditation role, TEQSA conducts annual risk assessments for each provider, and monitors risk at the individual provider level in response to complaints or other relevant concerns. TEQSA's functions also include broader analysis of information about higher education providers and quality assurance practice in higher education.

TEQSA has two mechanisms to deal with non-compliance or contraventions of its legislative framework:

- It has enforcement powers that can be used, including civil penalties, enforceable undertakings, injunctions and infringement notices.
- It can also impose administrative sanctions, including shortening or cancelling a provider's registration or course accreditation.

However, its use of enforcement powers for non-compliance with the Threshold Standards is complex and resource-intensive, requiring multiple procedural steps before TEQSA can take action against a non-compliant provider. This limits TEQSA's ability to take direct, proportionate and timely enforcement action.

Cancellation of registration or course accreditation are severe regulatory interventions designed for widespread or significant non-compliance. Such action lacks proportionality and timeliness where responses to discrete or immediate issues may be more appropriate. In most cases, due to the significant negative impacts on students, sanctions are neither feasible nor appropriate unless all other options have been exhausted.

4. Consultation and engagement

Below are 16 key questions to inform potential reform to the future direction of Australia's higher education regulatory system.

Wide consultation with stakeholders will be essential to capture the perspectives of a diverse sector. Students, staff, and members of the community are encouraged to provide feedback on their experiences of higher education, and to respond to the questions in a way that is relevant to their context. Respondents do not need to answer every question in this paper in their submission.

Alongside written submissions, the Department of Education will hold in-person and online forums to elicit views. Further information will be available on the Department's website.

5. Consultation questions

5.1 A regulatory system that puts students first

The Universities Accord highlighted the need for TEQSA's powers to be reviewed regularly, and adjusted as necessary, to enable an agile and forward-leaning regulator that supports a dynamic tertiary education system.

TEQSA's regulatory activities are focused on the initial registration and cyclical re-registration and accreditation of providers and courses. This approach aims to assure quality and assess a provider's compliance with the Threshold Standards.

However, course accreditation and reaccreditation impose significant regulatory burden on providers and TEQSA's resources, and do not always align with the most pressing risks to students, the sector, or those with the most significant impacts. There is an opportunity to consider how TEQSA might adopt a more risk- and impact-informed approach while maintaining robust quality assurance across the sector to better protect student interests and sector sustainability.

One approach could include a positive duty on providers to take reasonable and proportionate actions to comply with the Threshold Standards. A positive duty means TEQSA could act early, for example, where providers fail to take reasonable steps to protect students, rather than waiting for negative student outcomes to occur before acting. Under a legislated positive duty, providers would need to demonstrate they meet the Threshold Standards actively and continuously, through mechanisms such as regular reporting, monitoring, evaluation and evidence of preventive or supporting actions.

A modern regulatory approach should also consider the centrality of students in higher education, whether the TEQSA Act's regulatory principles of necessity, risk, and proportionality should reference students more directly to embed a key aspect of the Universities Accord, and how to put First Nations people and Closing the Gap at the heart of the system. A modern regulatory approach could also reflect the evolving higher education landscape in Australia with the establishment of the NSO and the ATEC, subject to the passage of legislation.

Questions:

- 1. What changes to the TEQSA Act are needed to ensure students are at the centre of the regulatory system?**
- 2. What changes to the TEQSA Act and the regulatory system are required to allow TEQSA to take a more risk-based approach to regulation of the sector, prioritising engagement on risks which have the greatest impact – whether due to the number of students impacted or the significance of the matter?**
 - a. Does the TEQSA Act need to reduce the focus on cyclical assessment and prioritise rapid response to regulated risk more strongly?**
 - b. How should other regulatory activities be delivered? How should TEQSA provide oversight for these activities?**
- 3. Should providers have a positive duty to comply, and maintain compliance, with the Threshold Standards, in order to better protect student and other stakeholder and community interests? How might this duty be framed?**
- 4. Are any changes to the TEQSA Act and the regulatory system needed to support First Nations self-determination in higher education?**

5.2 A modern regulator with powers to address emerging and systematic challenges

Specific powers under the TEQSA Act are not directly linked to the public interest, the protection of students and their learning, or the protection of Australia's reputation for quality higher education. Changes to the TEQSA Act could address this and remove constraints on TEQSA's ability to act in a timely way and adopt a more proactive approach.

In particular, TEQSA does not have powers to act quickly in response to acute risks, many of which can evolve suddenly and have serious impacts on large numbers of students, including vulnerable students. Immediate and high-impact events can compromise student welfare, institutional stability and public confidence in Australia's higher education system. Examples could include serious financial risks, governance failures, fraudulent conduct, or failures in the delivery of offshore education.

An alternative approach could be to apply a graduated, risk-based response to compliance concerns. This includes identifying emerging risks early, setting expectations clearly, and where necessary, enforcing compliance through proportionate regulatory action.

TEQSA also has limited powers to address systemic risks, which pose broad risks to students, academic integrity, and the quality and reputation of Australian higher education. These risks could stem from structural weaknesses in governance, compliance gaps or external events that affect multiple providers simultaneously.

In some instances, TEQSA's ability to identify and respond to systemic and emerging risks is constrained by its legislative framework, focussing on individual providers, and data that is provider-specific and fragmented. Strengthening TEQSA's access to integrated, sector-wide data would enable earlier detection of emerging risks and more strategic enforcement action.

The TEQSA Act does not currently allow for the creation of binding legislative instruments, such as enforceable codes, which could be used to address recurring or cross-cutting risks. The Australian Parliament has created powers to make enforceable codes through other legislation, an example of which is the National Code of Practice for Providers of Education and Training to Overseas Students 2018. More recently, the Parliament passed the *Universities Accord (National Higher Education Code to Prevent and Respond to Gender-based Violence) Act 2025* establishing a mandatory National Higher Education Code to Prevent and Respond to Gender-based Violence.

Questions:

- 5. How can TEQSA's regulatory focus shift more towards proactive risk prevention or should it remain primarily on compliance with the Threshold Standards?**
- 6. How can TEQSA be empowered to use a wider range of timely enforcement approaches when justified and in the public interest?**
 - a. This might include civil penalties, injunctions, compliance notices, enforceable undertakings, and/or suspension powers, in relation to non-compliance with the Threshold Standards.**
- 7. Should TEQSA have new powers to immediately suspend a provider's registration in response to acute risks? What should be the grounds for suspending a provider registration?**
- 8. Currently there is a cascading regulatory system where the Minister sets the Threshold Standards for providers and may choose to make Codes where legislation allows, and TEQSA may choose to issue guidance such as Statements of Regulatory Expectation. Is the overall regulatory architecture working effectively to manage risks in the sector? Is any change to this needed?**
- 9. What powers does TEQSA need to step in when it is justified and in the public interest? For example, in the event of a serious failure in governance, should TEQSA have the power to appoint a monitor, independent adviser or administrator to the governing body?**
- 10. Are there other powers TEQSA should have, comparable to other modern regulators, when balanced against the need for an efficient and streamlined regulatory approach?**

5.3 Opportunities to streamline regulation for universities and other education providers, so they can focus on teaching and learning

In line with the Government's productivity agenda, there are opportunities to streamline regulation and reduce unnecessary compliance burden to improve efficiency, free up resources for innovation, and enable higher education providers to focus on delivering higher value activities such as teaching and learning. The Universities Accord also noted the need to identify areas of friction in reporting arrangements, seek ways to streamline regulation, and coordinate information sharing.

There are opportunities to improve the coordination of regulatory action. The *Ombudsman Act 1976* provides the NSO the power to refer a matter raised in a complaint, and related information and documents, to TEQSA if it suspects the matter could be dealt with more effectively by them. The TEQSA Act does not have a similar power allowing TEQSA to transfer complaints to the NSO or the Department of Education in the case of a complaint about gender-based violence. Similarly, TEQSA can review information the NSO has provided and consider whether an investigation or enforcement action is necessary or appropriate, but it does not have a role in ensuring providers properly implement recommendations of the NSO. Aligning regulation and permitting information sharing would reduce the potential for duplication and fragmentation of regulatory processes.

Universities, as major recipients of public funding, are expected to support social mobility by widening participation and contributing skills, knowledge, research, and innovation. While the Threshold Standards set minimum requirements, there is scope to improve transparency and standardise performance information to better guide student choice and community understanding. Existing tools such as international rankings, Quality Indicators for Learning and Teaching data, and the ComparED website provide limited and sometimes opaque insights. In contrast, other sectors use rating systems to highlight quality and compliance, while others require significantly more public disclosure of information to demonstrate compliance.

Questions:

- 11. What regulatory requirements or actions could be accomplished in a more efficient way that may lead to increased productivity, while ensuring regulatory outcomes are achieved?**
- 12. What opportunities exist to streamline regulation between TEQSA, the Department of Education, the National Student Ombudsman, or other Commonwealth, State and Territory government bodies?**
- 13. Should TEQSA's functions be broadened to allow better access to transfer complaints to other agencies, for example with the National Student Ombudsman?**
- 14. How could the TEQSA Act be amended to ensure providers are required to implement recommendations made by the National Student Ombudsman?**
- 15. More broadly, would more standardised public disclosure of information across areas including student outcomes, teaching quality and research impact improve accountability, assist students in choosing courses of study or providers, assist Government to assess the effectiveness of public investment, and help providers to demonstrate compliance? How might such a system work?**

5.4 A system that supports a joined up tertiary system, helping more Australians get the skills and qualifications they need

Almost half of the over 200 registered higher education providers in Australia deliver VET courses, including 28 TAFE institutes, and there are six universities that are dual sector providers. Thirty-three⁴ providers also deliver both higher education and VET under the Education Services for Overseas Students (ESOS) Framework.

The Universities Accord recognised that Australia's long-term needs for knowledge, skills and workforce development require a stronger, more coherent relationship between the tertiary and VET systems. Building connections and transition pathways between the sectors will benefit students by providing better opportunities for lifelong learning and skills development.

The Australian Government allocated \$27.7 million in the 2024-25 Budget for measures to help deliver a joined up tertiary system, in line with recommendations from the Universities Accord. This includes better Recognition of Prior Learning and Credit Transfer, developing a National Skills Taxonomy and breaking down existing structural barriers between higher education and VET.

The Australian Government has also recently tasked the ATEC with developing a Tertiary Roadmap to dismantle barriers between TAFE and university systems, facilitate seamless student transitions, and align qualifications with Australia's future skills needs via a newly formed Tertiary System Advisory Council.

TEQSA and ASQA have shared jurisdiction over providers that deliver higher education and VET courses to international students under the ESOS Framework. The states and territories also have an important role in the governance and regulation of VET.

TEQSA and ASQA have commenced work to improve the regulatory approach for dual-sector providers through the development of a *Dual sector regulatory strategy*. This includes initiatives to:

- improve information sharing between ASQA and TEQSA
- align regulatory requirements between ASQA and TEQSA, and
- uplift academic and corporate governance across the VET and higher education sectors.

Greater streamlining between TEQSA and ASQA will help tertiary education providers respond effectively to students and meet the requirements of a more joined-up sector that encourages more dual-sector provision.

Question:

16. Are changes to the TEQSA Act needed to support better joined-up arrangements across higher education and vocational education?

- a. What are the current regulatory challenges faced by students and providers and how could changes to the TEQSA legislation support a more streamlined experience?**

⁴ As at 31 July 2025.