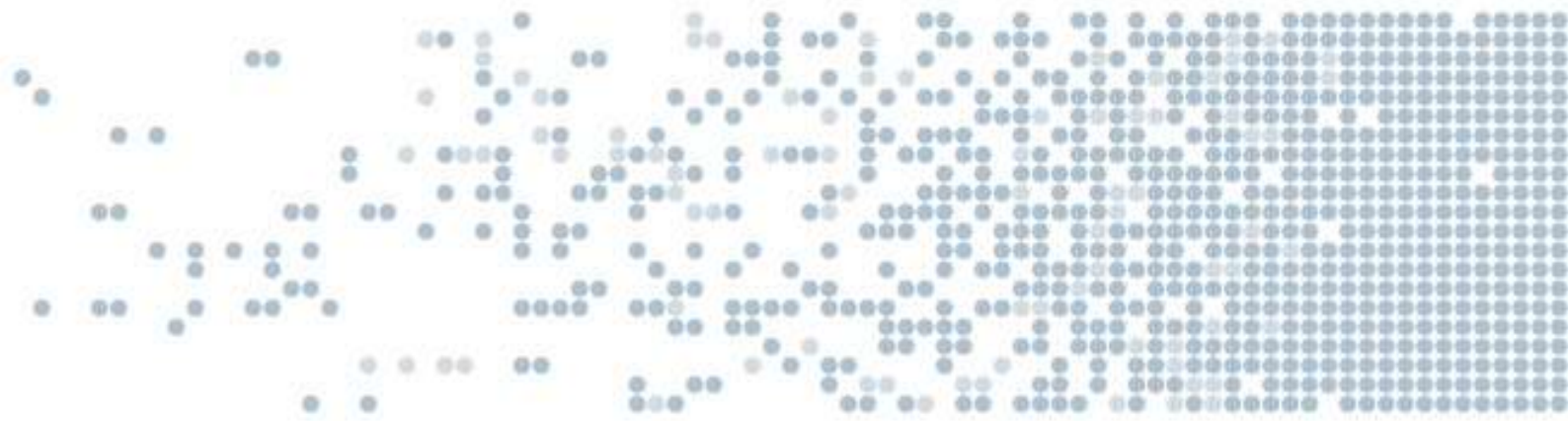# SUBMISSION – AUSTRALIAN SKILLS QUALITY AUTHORITY

Productivity Commission: Review of the National Agreement for Skills and Workforce Development – Interim Report

Contents

Executive Summary

This submission is presented to the Productivity Commission (the Commission) by the Australian Skills Quality Authority (ASQA) in response to the interim report on the review of the National Agreement for Skills and Workforce Development (NASWD).

ASQA welcomes the opportunity to make a submission to the Commission as part of the review of the NASWD, noting that an earlier submission was also made in December 2019.

As the national regulator of the vocational education and training (VET) sector, ASQA's role is to support the quality and reputation of Australia's VET system through the effective regulation of VET providers, accredited courses, and Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) providers, including those delivering English Language Intensive Courses to Overseas Students (ELICOS).

ASQA regulates approximately 3,750 Registered Training Organisations (RTOs), delivering training to around 4.1 million students annually.

The submission reflects ASQA's current focus on implementing the significant reform agenda resulting from the Rapid Review of its regulatory practices, governance and culture, completed earlier this year. As the Commission's interim report notes: "ASQA is working to establish itself as a leading practice regulator and is undergoing reform. It would be appropriate to let the reforms be fully implemented and to subsequently review their impact on perceptions of training quality and the regulator's performance. The Commission will further consider quality issues in its final report".

QUALITY OF TRAINING

ASQA'S Rapid Review

ASQA's Rapid Review report was released on 30 April 2020. The Rapid Review found that, while ASQA's overarching vision and purpose remain appropriate, adjustments to its practices are needed to improve engagement with the sector and ensure its approach is guided by necessity, risk and proportionality. The report includes 24 recommendations (all of which have been accepted by government) for reforms to the way ASQA operates, and provides a long-term vision for better regulation of the VET sector.

The recommendations of the Rapid Review confirm ASQA's focus to:

- clarify its role and regulatory approach
- build a common understanding of self-assurance and excellence in training outcomes
- provide more considered and meaningful reporting on provider performance
- strengthen its engagement and educative approach
- undertake appropriate and proportionate regulatory action as required
- align its practices and governance accordingly.

A key component of the reforms is a transition for ASQA and the sector to more of a focus on quality outcomes. This will be achieved in a number of ways, including through changes to ASQA's regulatory approach and the way in which providers approach assuring their ongoing compliance and outcomes, as well as amendments to the broader VET Quality Framework.

ASQA is working to shift its regulatory approach from one which focuses on inputs and compliance controls (largely in relation to procedural and technical components of the *Standards for Registered Training Organisations (RTOs) 2015* (Standards for RTOs)), to one that focuses on providers self-assuring that their systems and processes are working effectively to achieve quality outcomes.

Despite the focus of legislation on the concept of quality and self-assurance by providers, this has not been a prevalent feature of the VET sector to date.

While longer-term systemic changes affecting the culture of the sector and VET Quality Framework (to be given effect through the VET Reform Roadmap, which also includes an intended review of the Standards for RTOs) will support a broader transition from a focus on compliance to a focus on performance and outcomes, ASQA has commenced implementation of changes to its regulatory approach and practices to implement this revised focus.

ASQA is building capability internally, and will soon begin to support building capability in the sector, to move towards a regulatory system where:

- providers have a strong embedded system of self-assurance, such that they identify and remedy issues before ASQA identifies them
- providers are supported to focus more on performance and outcomes, and continuously improve their approaches to drive improvements to the quality of training and outcomes for students and employers
- students and employers know what to look for in terms of quality, and seek this out from providers, thereby playing a role in driving quality
- there is reduced oversight of providers that effectively self-assure.

ASQA is also making changes to its audit practices to better support an outcomes-focused approach. An important change relates to the way in which ASQA addresses minor deficiencies identified at audit. Going forward, where non-compliance is identified but deemed to be minor, readily fixed, of limited impact and not systemic, the provider will be given the opportunity to rectify the issue as part of the audit process, rather than in response to a notice of identified non-compliance. This will enable audits to place a greater focus on impacts and outcomes for students and employers, rather than on less significant matters.

Another area of concern for stakeholders (noted in the interim report and Rapid Review report) relates to the consistency (or inconsistency) of practice across auditors and decisions-makers within ASQA. The issue of consistency is one that is of concern to most regulators. Consistency is difficult to achieve across a large national workforce which regulates a highly diverse sector. Recognising how critical this issue is to driving improved performance across the sector and building confidence in ASQA as the national regulator, ASQA is:

- making changes to the way auditors collect, record and analyse evidence, and draft audit reports
- strengthening the induction training available to staff to provide more of a focus on consistent audit, decision-making and documentation practices
- implementing a more formalised program for ongoing professional development for staff
- increasing its internal quality assurance capacity to support the moderation of audit outcomes and decisions
- establishing an internal review team, which sits separate to the audit and compliance functions, and is responsible for managing ASQA's reconsideration process.

Some of the reforms resulting from the Rapid Review can and are being progressed immediately, while others will take more time and require engagement with external stakeholders.

ASQA's areas of focus for the second half of 2020 include:

- improving its methodology for conducting audits, writing reports and documenting evidence of non-compliance
- building a common understanding of self-assurance across the sector
- strengthening its routine and risk-based monitoring
- becoming more transparent in identifying areas of risk and providing guidance to support providers.

From early 2021, ASQA's focus will expand to include:

- developing a new format for audit reports to allow providers to address non-compliance in a more systemic way, over a longer period
- delivering a revised annual declaration of compliance
- undertaking further restructuring to delineate the roles of its assessment and compliance teams
- expanding information available publically regarding the reasons for regulatory action.

Longer-term work includes the development of public-facing summaries of audit outcomes that better describe the performance of a provider and metrics (to be agreed with the sector) to better differentiate providers on the basis of quality. Further, ASQA will take a risk-based approach that reduces regulatory oversight for providers who demonstrate effective self-assurance practices, and will support the sector through the development of new self-assurance tools (e.g. self-assessment and annual declaration on compliance).

Structural reasons for variations in training quality

Apart from concerns specific to ASQA, the interim report also identified a number of structural reasons for variations in the quality of VET training and outcomes. These relate to the:

- flexibility inherent in the Australian Qualifications Framework (AQF) volume of learning requirements and the Standards for RTOs amount of training requirements, which has led to the practice of some providers delivering unreasonably short courses
- adequacy of assessment arrangements – for example, consideration of the need to 'unbundle' the acquisition and testing of skills and competency
- quality of teachers – for example, the insufficiency of the Certificate IV in Training and Assessment (TAE)
- relevance of training packages – for example, the time taken to create and update training products.

Some of these issues (as relevant to ASQA) are discussed in more detail below.

Unduly short training

The interim report notes that: "Short courses may force high-quality providers to lower their standards to compete. At the same time, longer courses are not necessarily higher quality, and there is evidence that students are more likely to withdraw when courses are longer". This latter point is reflected in the Noonan and Joyce reviews, that propose consideration be given to the use of short-form credentials, such as skillsets or micro-credentials, to provide more flexible training options to industry.

It is important to distinguish specifically designed short courses generally from unduly short courses. ASQA defines unduly short training as 'courses that do not deliver sufficient training to support learners to gain the required competencies'.

Unduly short courses were the subject of a strategic review undertaken by ASQA in 2017. The review found that, while many providers are offering quality training, these providers face increased pressure to reduce the quality of their training or leave the market due to some providers delivering unduly short training.

The flexibility inherent in the AQF volume of learning requirements and the Standards for RTOs enshrines the concept of competency-based training and allows RTOs the flexibility to deliver the 'amount of training' that caters specifically to learners' individual needs. The review found, however, that this flexibility is confusing for some RTOs and is complex to regulate effectively. The system is open to inconsistent interpretations about the amount of training required due to:

- the AQF volume of learning range applying at qualification and not unit level, and including both supervised and unsupervised learning activity in its definition, without the requirement for these components to be separately specified
- the absence of a definition of the term 'amount of training' in the Standards for RTOs
- the inability of training package developers to set a required amount of training in training packages for the duration of training delivery in either units or qualifications
- a reliance on RTOs exercising high-level professional judgement about the required amount of training.

The review made three recommendations:

1. That the Standards for RTOs be amended to include a definition of 'amount of training[1]' that focuses on supervised learning and assessment activities.

2. That training package developers be able to respond to industry-specific risks by setting mandatory requirements, including an amount of training.

3. That RTOs be required to publish Product Disclosure Statements that include the range of learning activities to be expected (including the amount of training) for each training product on their scope of registration.

In framing its recommendations, ASQA recognised that the appropriate risk treatment may involve strategies other than setting a minimum amount of training. The recommendations were designed to ensure industry remains central to establishing training requirements through industry-specific training packages, including the appropriate response to specific risk factors, and that RTOs retain the flexibility to tailor training to the needs of individual learners.

These recommendations would allow (but not require) training package developers to set requirements when it is determined by industry that there are specific risks to be addressed. It is ASQA's view that this strengthens industry's ownership and control over training package content by providing it with a greater range of mechanisms to address industry-specific risk. These responses could include setting an amount of training, imposing additional assessment conditions, or other requirements designed to address the particular risk affecting the industry.

ASQA's strategic review noted that, in certain industry areas, where unduly short courses are common, occupational licensing regulators often impose additional regulatory requirements. If training packages

---

[1]Currently, the term 'amount of training' is used in the Standards for RTOs, but is not defined. The AQF uses the term 'volume of learning', which provides a range for the amount of time a student is expected to take to obtain a qualification at each AQF level. Volume of learning includes all activities (supervised and unsupervised) a student undertakes to achieve a qualification. ASQA recommended that the term 'amount of training' be defined in the Standards for RTOs to include supervised learning and assessment activities (that is, as a subset of 'volume of learning'). Course duration does not have a technical meaning, and is used to describe (e.g. on the My Skills website) the time taken to undertake a course from its commencement to completion.

are better able to respond to industry-specific risks, and there is a corresponding lift in the quality of outcomes achieved, occupational licensing regulators may have the confidence to remove the additional regulatory requirements they currently impose. This would reduce regulatory burden and existing inconsistencies in requirements that exist across jurisdictions.

It is acknowledged that training package developers may need to engage additional expertise from trainers and assessors and others in order to determine appropriate responses, and that the process for how this would occur needs further consideration by the Australian Industry Skills Committee (AISC), the Department of Education, Skills and Employment (DESE) and ASQA.

In September 2019, the Council of Australian Governments (COAG) Skills Council considered the recommendations of ASQA's strategic review and agreed to amend the Standards for Training Packages to enable training package developers to be able to respond to industry-specific risks by setting mandatory requirements, including an amount of training. The COAG Skills Council noted that implementing this recommendation in exceptional high-risk circumstances would preserve the integrity of the competency-based training system.

Assessment of competency

The interim report notes that the "adequacy of assessment arrangements remains a concern". Several stakeholders recommended exploring the feasibility of independent assessment for VET qualifications.

This aligns with recommendations of the Joyce review and those previously made by the Commission, which suggested that government "investigate areas of VET where an independent certification model could robustly test a person's skills". It also aligns with the VET Reform Roadmap, which commits to trialling innovative assessment models, including the independent assessment of competency.

ASQA notes that the VET systems in New Zealand and the United Kingdom, as well as other regulatory and licensing regimes in Australia (e.g. in trade areas such as electrical and plumbing), incorporate independent validation and assessment.

Each year, ASQA identifies specific clauses within the Standards for RTOs which are of most concern from a risk perspective; that is, clauses where providers are most likely to be at risk of non-compliance. This is undertaken through the analysis of non-compliance identified in reports about providers and at audit. ASQA has identified Clause 1.8 of the Standards for RTOs to be of significant concern for a number of years.

This clause relates to the implementation of assessment practices that ensure assessment (including the recognition of prior learning) complies with assessment requirements in the relevant training package or accredited course, and is undertaken in accordance with the Principles of Assessment and Rules of Evidence outlined in the Standards for RTOs. This clause goes to the heart of ensuring the validity of a learner's competency.

ASQA notes that there are a range of initiatives already underway to improve the capability of trainers and assessors, which are described below. ASQA also recognises that many RTOs have already instituted their own processes to separate their training and assessment functions to ensure the independence of their assessment practices are safeguarded.

ASQA welcomes consideration of the potential for independent assessment of competency in the VET system, and would support the trialling of such models in the first instance, in line with the VET Reform Roadmap. The results from this trial will assist in establishing the benefits of such an approach, under what circumstances it may be most effective, and how it may be implemented in a cost-effective manner that does not introduce any unintended consequences.

As recommended in its strategic review into unduly short training, ASQA recommends training package developers be able to respond to industry-specific risks by specifying where independent assessment may be required, with 'risk' to be informed holistically using intelligence from ASQA, employers, Skills Service Organisations and Industry Reference Committees. It may be that the need for the imposition of independent assessment processes would be limited to certain industries for a time-limited period.

Improving confidence in assessment practices across the VET sector, including through the use of independent assessment, is likely to have broader positive impacts for industry, especially where these independent assessments may be able to replace additional assessments imposed by occupational licensing bodies.

As noted in ASQA's previous strategic reviews, some industry occupational licensing regulators impose separate requirements, including for assessment, as part of their licensing arrangements. The complexity of these arrangements in the security industry was detailed in ASQA's strategic review into Training in security programs in Australia. This complexity has a substantial impact on the VET sector which is already notoriously complex.

Specifically, it:

- creates inefficient and overlapping regulation (e.g. between ASQA and occupational licensing regulators) which ultimately drives up costs for government, business and consumers
- generates significant regulatory burden for providers who are subject to multiple regulatory framework and reporting requirements
- triggers significant variations in the durations of courses that providers in different jurisdictions offer for the same qualification, without any apparent rationale. These variations are confusing for industry, employers and students. This inconsistency also serves to undermine confidence in the VET system by calling into question whether these national portable qualifications are equivalent.

Trainer and assessor capability

The interim report indicates that some stakeholders believe the minimum requirement for VET teaching (i.e. completion of a Certificate IV in TAE) is insufficient, while others feel it is too restrictive.

In April 2016, AISC announced the introduction of an updated TAE Training Package, including a new Certificate IV in TAE, with higher standards for trainers and assessors. The revised training package responded to industry and stakeholder concerns about the quality of the VET workforce. These same concerns informed ASQA's first Regulatory Strategy in 2016-17, which included a focus on trainer and assessor capability.

Feedback provided as part of the review of the NASWD regarding trainer and assessor capability and the Certificate IV in TAE is consistent with feedback received by ASQA through its 2020 environmental scan. Issues raised include a shortage of appropriately qualified teachers (including concerns about the 'industry currency' of teachers) and a belief that the Certificate IV in TAE is not 'fit for purpose'.

Some stakeholders indicate the Certificate IV in TAE is onerous and a deterrent to potential trainers and assessors who might otherwise bring current skills and industry experience to the sector. Others have attributed the requirement for trainers and assessors to continuously upgrade their qualification as contributing to attrition, and queried whether the requirement for teachers to constantly update the threshold qualification would be better replaced by an ongoing professional development requirement.

Trainer and assessor capability remains a target area in ASQA's Regulatory Strategy 2019-21. In the period since 2016, ASQA has:

- introduced additional evidence requirements and required audit activities for all providers seeking to deliver TAE products from the new training package

- continued to monitor and conduct targeted audits of providers delivering TAE training products to help ensure providers:

  - provide an adequate amount of training
  - develop appropriate and compliant training and assessment strategies
  - develop appropriate and compliant assessment tools and materials
  - demonstrate how validation has contributed to training and assessment

- developed education and guidance products to promote quality training and assessment practices and help ensure providers (and trainers and assessors) understand their obligations.

ASQA has also commenced further investigation of issues in relation to trainer and assessor capability in collaboration with DESE as part of its Regulatory Strategy 2019-21.

PROVISION OF VET INFORMATION

Interim Recommendation 2.1 – Information on VET System Performance

Australian and State and Territory governments should develop improved performance measures to provide a more complete picture of system performance. Future sector-wide performance frameworks should better measure:

- Total VET activity
- the contribution of VET to developing the foundation skills of Australians
- skills obtained through the VET system when students do not complete a course
- students longer-term labour market outcomes.

Two significant reviews, Braithwaite (Recommendation 10) and Joyce (Recommendation 3.14), as well as ASQA's Rapid Review, highlighted the need for governments generally, and ASQA in particular, to have more timely access to data about the performance of the VET system.

The Rapid Review recommends ASQA expand post-market monitoring to include both risk-based and routine monitoring. The report states that: "…access to real-time RTO data would significantly improve the value of data used to inform risk-based monitoring", and notes that some staff consider access to timely and accurate data to be "the greatest impediment to achieving more proportionate and effective regulation".

The current architecture for data collection mechanisms is not well connected, contributes to reporting lags, and leaves parts of the sector largely unmonitored. Ensuring access to wider-ranging and more-timely information is essential for government (regulators and policymakers alike) to understand:

- current and emerging risks
- opportunities for increased education and engagement to support providers and learners
- performance of providers, training products and learners
- performance of policy and regulation.

To implement the Rapid Review recommendations, particularly the reforms that relate to strengthening its routine and risk-based monitoring, ASQA needs access to much more timely data than is currently available. COVID-19 further highlighted this critical need.

References to performance frameworks in the interim report largely relate to the need for better data and information sharing provisions across governments to encourage greater understanding of areas of skills demands. While this is important, and will be particularly so in a post-COVID-19 environment, ASQA would also refer the Commission to its earlier submission and the call for access to closer to real-time provider data for fee for service delivery. Access to such data would allow ASQA to more effectively monitor provider and sector performance and quality, and afford greater transparency in provider performance for consumers and policymakers.

More frequent fee for service data submission could also contribute to a reduction in regulatory burden for providers, in that they would not have to respond to regulator data requests in relation to provider and sector performance assessments and monitoring activities. Furthermore, students would have more timely access to transcripts of their completions, particularly in the event of a provider closure. ASQA would also be better positioned to support providers through education and guidance in areas of emerging risk and rapid growth.

ASQA is currently working with DESE to investigate the feasibility of amendments to the frequency of fee for service reporting by providers under the National VET Data Policy. ASQA is confident that any impact on providers from supplying more regular data would be minimal, and out-weighed by the likely overall reduction in regulatory burden that would result from ASQA having a more complete 'picture' of performance and risk across the sector.

CHALLENGES POSED BY ONLINE DELIVERY

Information Request – The challenges of online delivery

- What is the scope to increase the use of fully online delivery in VET, with what advantages, risks and policy challenges?

Australia's VET and international education sectors have faced major disruption as a result of the COVID-19 pandemic, with the closure of Australia's international borders and implementation of social distancing requirements to reduce the transmission of COVID-19. Social distancing and business closures have interrupted work placements and delayed completion for many students. Some students have ceased training; others have been unable or unwilling to attend classes. In this context, many providers shifted to online delivery in order to continue training while keeping staff and students safe.

The use of technology for education in the VET sector is not new – online training comprised around 13 per cent of VET delivered in 2017. In 2020, more than 1,000 providers, including around 450 CRICOS providers, have advised ASQA that they now deliver all or a number of their courses online, as a direct result of COVID-19.

ASQA has provided a range of education and guidance to support providers in transitioning to distance learning, and particularly online learning.

Stakeholders and providers have been optimistic about the good practice emerging as providers transition to online learning and look for innovative ways to help students gain the competencies they need to be successful in the workforce. They have also expressed concern that not all providers have the skills and capability required to deliver high quality training online, and that some employers may regard training delivered online as substandard, particularly where assessments have been conducted online rather than in the workplace.

Traditionally, online delivery has presented a range of challenges, including lower course completion rates and student satisfaction, a lack of student support, and problems with work placements and assessment. Despite the challenges, student outcomes from online learning are generally comparable

to other delivery modes and, for many qualifications, graduates who studied online had similar or slightly better employment outcomes.

Online learning is likely to continue to play a large part in responding to COVID-19 and supporting Australia's economic recovery through re-skilling and up-skilling the workforce disrupted by the pandemic. The implications of requirements for training or assessment in the workplace are therefore an important consideration.

Approximately 1,200 (or 8 per cent of total) units of competency have some requirement for access to a workplace, either for training delivery or assessment purposes. There are over 2,000 RTOs with scope to deliver these units, and they are listed in the packaging rules of more than 450 qualifications. Preliminary analysis of 2018 data indicates there were over 2 million subject enrolments in these units, and over 250,000 VET in Schools enrolments. Some, but not all, of these units of competency enable the option of simulated environments.

It is ultimately dependent on the industry and workplaces to which the training relates to determine the feasibility of online delivery and/or the acceptability of simulated environments, remote observation and simulated assessment. ASQA will continue to focus on these issues and engage with the sector to understand the benefits, opportunities and risks posed by the transition to online learning during the COVID-19 pandemic, as well as the areas where providers may still face challenges, and where ASQA can provide further support.

VET IN SCHOOLS

Information Request – Pathways and transitions

The Productivity Commission seeks evidence on:

- the usefulness of VET in Schools in developing work-ready skills.

While the education of school students is the responsibility of State and Territory government and non-government schooling sectors, ASQA has responsibility for providers who deliver VET to secondary school students.

Research points to significant benefits for school students who undertake VET studies; however, some stakeholders continue to raise concerns about the quality of delivery and outcomes, industry relevance and employer engagement. Feedback provided to the Commission about VET in Schools as part of the review of the NASWD is consistent with feedback received by ASQA from its stakeholders.

The recent trend of the closure of providers with large numbers of VET in Schools enrolments has highlighted key risks in relation to VET delivered in schools. These include:

- provision of accurate information to support students in making an informed decision to enrol in a VET program
- ensuring teachers and trainers and assessors delivering the program are appropriately qualified
- alignment between training and assessment delivery and the requirements of the relevant training package
- availability of sufficient learning and assessment resources to support students
- timely certification of students on completion of training
- adequacy of partnering arrangements.

Issues associated with the suitability of VET in Schools have been addressed in numerous research reports and reviews, including the Joyce review and the more recent Review of Senior Secondary Pathways, as well as a number of State and Territory government reviews.

In 2019, ASQA wrote to the education authorities in State and Territory governments to provide advice about what had been identified, through recent regulatory activity, as particular risks relating to VET in Schools, to inform oversight of arrangements within their jurisdictions. In consultation with other regulators and State and Territory governments, ASQA has commenced a scoping study to clarify the regulatory risks associated with VET in Schools and better understand how they interact with the delivery models in place in each jurisdiction. Initial consultations with jurisdictions were undertaken in late 2019, and the analysis of a range of data, including ASQA regulatory data, has commenced.

In 2020-21, ASQA will continue the work commenced in 2019, to:

- further clarify the risks associated with VET in Schools and better understand how they interact with delivery models in each jurisdiction
- research the delivery and quality assurance of VET in Schools internationally
- analyse the findings of existing research and reviews.

This will inform further work to address the issues identified, including a potential strategic review into VET delivered in secondary schools.

VET STUDENT LOANS SCHEME

Information Request – Implementing an expanded loans scheme

If VET Student Loans (VSL) were expanded:

- To what degree and where should restrictions on the VSL scheme be eased?

- What aspects of the system architecture and settings may need to be in place in order to reduce risks, assure quality and support the operation of a well-functioning market, including consideration of 'black lists', repayment thresholds, and recovery of unpaid debt from deceased estates?

In 2015 and 2016, ASQA undertook significant regulatory activity to assess the compliance of a number of ASQA-regulated providers that were VET FEE-HELP (VFH) providers. Although ASQA was not responsible for the design or administration of the VFH program, it identified, through monitoring complaints and other intelligence, that a number of VFH providers were not complying with the VET Quality Framework.

ASQA undertook 47 audits of VFH providers designed to assess the risk arising from the suspected practices of VFH providers. These audits found poor behaviours were common in the majority of the providers audited, including a lack of control over marketing and enrolment processes (often through the use of brokers to maximise student enrolments), sharp and significant increases in student enrolments, changing patterns of delivery to focus on low-cost qualifications, insufficient staff for the numbers of students enrolled, and poor levels of student engagement.

While stricter compliance and reporting measures were introduced for VSL providers in response to the learnings from the VFH program, there does remain some level of risk associated with expanding and/or easing of restrictions on the VSL program.

ASQA suggests further consideration be given to the controls required to ensure adequate oversight of a student's engagement in, and progression through, a VET course when in receipt of a VSL. This

could include use of existing provisions under the program that allow for the determination and publication of student completion rates and benchmarks, and the assessment of providers against these requirements prior to each census date (and the accrual of further debt for students).

MULTIPLE REGULATORS

Interim Recommendation 7.2 – Quality regulation

The Victorian and Western Australian Governments should ultimately follow other State and Territory governments in referring the regulation of RTOs to ASQA.

However, the first instance, ASQA, the Victorian Registration and Qualifications Authority (VRQA) and Training Accreditation Council of Western Australia (TAC WA) should seek to address stakeholders' concerns about inconsistencies and overlaps in requirements between regulators, including different interpretations of regulatory standards.

ASQA is of the view that all three VET regulators have effective engagement and regularly share information and practices to good effect, which has enabled each regulator to continuously improve its approaches and practices.

The same regulatory framework does not apply to all VET regulators. The VRQA operates using the Australian Quality Training Framework and VRQA Guidelines for VET Providers, rather than the Standards for RTOs. Though, the VRQA Guidelines do largely map to the Standards for RTOs. Wherever possible, all regulators apply a common lens to the interpretation and application of standards, which are applied to their distinct regulated communities.

Concerns regarding the burden posed by duplication and overlap in requirements may relate less to any duplication and overlap in the requirements of the three VET regulators, and more to confusion and a concern about regulatory burden between the VET regulators and the variety of other regulatory bodies that operate in the sector, including licensing and funding bodies or the regulatory requirements for dual-sector providers.

ASQA has Communication Protocols in place with all State and Territory governments, and these allow for the exchange of information to facilitate the efficient monitoring of compliance with regulatory and state- and territory-based contractual obligations. ASQA considers opportunities to reduce any overlap in requirements, and continues to work with State and Territory governments to streamline these requirements.

ASQA has also recently engaged with the Tertiary Education Quality and Standards Agency and the Independent Tertiary Education Council Australia to explore any potential for streamlining regulatory requirements for dual-sector providers.

CONSUMER PROTECTION ARRANGEMENTS IN VET

Information Request – Role of competition in the VET market

- Are additional consumer protection arrangements required to support a well-functioning VET market?

As noted in the interim report, ASQA accepts complaints about providers (e.g. reports alleging provider non-compliance against regulatory requirements), but does not have consumer protection powers or responsibilities, and cannot act as an advocate for individual students. ASQA uses complaints to

inform its understanding of provider and training product risks and also communicates these to providers as opportunities for improvement.

Both the Joyce and Braithwaite reviews identified the need for a dedicated VET Ombudsman.

As the interim report details, State and Territory governments currently provide consumer protection arrangements as part of funding contracts or, as is the case in Queensland, through an independent Training Ombudsman. While the Australian Government supports the recommendation made by Professor Braithwaite in-principle, it was noted that further work is required given the constitutional legal questions that arise in the context of the need for a referral of powers by State and Territory governments.

ASQA supports the intent of the recommendations by both Braithwaite and Joyce, and believes this would provide learners with additional, strengthened consumer protections, and an improved overall learning experience. The establishment of an independent Tertiary Sector Ombudsman may also improve community confidence in the VET sector.

As noted earlier, ASQA's strategic review into unduly short training also suggested that consumers would be empowered to make more informed decisions if RTOs were required to publish relevant information in a consistent way to enable comparisons across courses.