



The Hon Brendan O'Connor MP
Minister for Skills and Training

Reference: MS22-001782

Ms Saxon Rice
Chief Executive Officer
Australian Skills Quality Authority
GPO Box 9928
BRISBANE QLD 4001

Dear Ms Rice

This letter outlines my expectations of the Australian Skills Quality Authority (ASQA) and the priorities and standards that should guide ASQA in exercising its functions, duties and powers. It is not a Ministerial Direction, nor a term or condition of office, but is designed to complement the *National Vocational Education and Training Regulator Act 2011* (NVETR Act) which sets out the primary functions, duties and powers of ASQA, as well as the obligations set out in the *Public Governance, Performance and Accountability Act 2011* (PGPA Act). In the interest of public accountability and transparency, this statement of expectations should be published on ASQA's website.

As the National Vocational Education and Training Regulator, ASQA is the key agency responsible for assuring consistent, high-quality vocational education and training (VET). ASQA's effective and vigilant regulation of the sector is critical for student, community and industry trust in Australian VET, and to ensure students receive the skills and training necessary for secure work and career opportunities.

A high-quality VET sector is crucial to responding to the skill and labour shortages facing Australia now, and to supply the skills that Australia needs for a prosperous society and secure economy into the future. Accordingly, ASQA's regulation has never been more important. ASQA is central to elevating the calibre, perceptions and status of VET, both domestically and internationally. This is essential to attracting students, and to maintaining industry and community confidence that the sector can provide the skilled workers the nation needs to thrive.

Safeguarding student welfare and the quality of VET

I expect ASQA to monitor the VET sector proactively to detect risks to students. This should include identifying inadequate, non-compliant or low-quality training and practices, poor provider performance, with a targeted focus on non-genuine providers. ASQA should respond to these risks in a swift and effective way, and use the information it gathers to protect students, and maintain the reputation of the Australian VET sector, in Australia and overseas.

I ask that ASQA keep me informed through clear and timely reporting regarding issues that may affect the integrity or reputation of the VET sector, sector performance, and risks to students. Importantly, this reporting should describe how ASQA is determining risks, how it is addressing those risks, and should demonstrate ASQA's performance of its regulatory functions relative to previous reporting periods.

ASQA should engage actively with law enforcement and regulatory agencies to respond to substantial breaches of compliance or law, especially where these threaten student safety or wellbeing.

The Government is deeply concerned by recent public reports that a small number of non-genuine VET providers are involved in exploitation of vulnerable international students. These form part of the reporting which has led to the Rapid Review by Ms Christine Nixon AO APM. As a priority, I expect ASQA to remove any non-genuine providers from the sector, and to stamp out egregious behaviour which exploits students. I welcome the targeted work that ASQA has undertaken and continues in response to these reports, including its recent contributions to update to the *Fit and Proper Person Requirements*. I expect ASQA to continue to examine its structure, functions and powers to identify possible changes that could strengthen ASQA's ability to ensure integrity in the VET sector and fulfil its mandate. I ask ASQA to apply ongoing and targeted resources to securing provider integrity, and to continue to build its capacity in this regard. ASQA should also work with my Department to develop practical options to develop and protect integrity in the sector.

Fostering a world-class VET sector through regulatory action

In order to maintain a world-leading VET sector, the community must be confident that all VET providers comply with the law and with applicable regulations. I expect ASQA to identify providers who fail to meet this standard, and to use all regulatory tools at ASQA's disposal to promptly return those providers to compliance when possible, or to remove them from the sector where required. ASQA's active use of its regulatory tools is essential to ensuring broad trust and to build a culture of excellence in VET.

I expect ASQA to act in accordance with regulatory best practice in its decision-making, policies, processes, and communication. ASQA should ensure that its regulation is as effective, efficient, and transparent as possible. ASQA should:

- adopt a whole-of-sector perspective, to ensure consistent high-quality VET across Australia;
- apply an appropriate mix of education, compliance and enforcement tools to support the sector to continuously improve, and to prevent, manage and act on key risks;
- regularly review and, where necessary, adjust ASQA's priorities and practices to meet changing social, technological and commercial contexts; and
- address the Government's policy objectives for VET and be responsive to reforms agreed by the Skills and Workforce Ministerial Council (SWMC).

Collaborating with other agencies to enhance the quality of VET and support students

I expect ASQA to maintain co-operative working relationships with other government agencies that are relevant to the quality, reputation and effective regulation of the VET sector.

I expect ASQA to collaborate closely with my Department as partners responsible for VET at the Commonwealth level, and also with the Department of Education on international education. In particular, I ask that ASQA ensure that my Department are kept informed of matters relevant to the quality of VET and the performance of ASQA's functions.

I also expect ASQA to foster strong working relationships with other VET stakeholders, including other VET regulators; state and territory officials and departments; other

Commonwealth and industry agencies; Jobs and Skills Australia; Jobs and Skills Councils; and the National Centre for Vocational Education Research.

I expect ASQA to collaborate with other regulatory and law enforcement agencies, including through data and information sharing regarding VET providers and their compliance with law.

Driving ASQA's performance through the leadership of the CEO

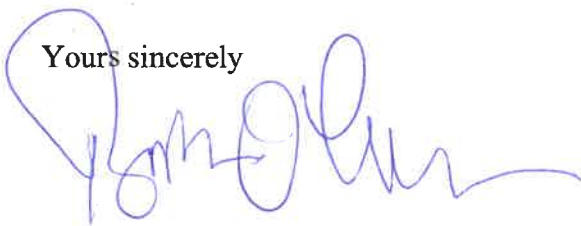
As CEO of ASQA, I expect that you will lead the agency to strive for best practice, and that you will be accountable for ensuring ASQA fulfills its obligations. I ask that you ensure ASQA meets the expectations outlined in this letter. In addition, as the leader of ASQA, I expect that in your role you:

- build ASQA staff wellbeing, morale, and capability to support a high-performance culture;
- ensure that ASQA has regard to the advice provided by the NVETR Advisory Council; and
- provide high quality advice to me and the SWMC on addressing risk in the VET sector.

ASQA's regulation is essential to ensure that students receive quality VET, regardless of where they access Australian VET, whether they are an international or domestic student, or whether it is accessed through a public, community, private or enterprise provider. A consistently high standard of VET is the basis for community and industry trust in the sector, and confidence in VET qualifications.

I look forward to receiving your response in the form of a Statement of Intent outlining how you and ASQA will meet these expectations.

Yours sincerely



BRENDAN O'CONNOR

18/7/2023