



**Education  
& Training**

DIRECTOR-GENERAL OF  
EDUCATION AND TRAINING  
MANAGING DIRECTOR OF TAFE NSW

Dr Ian Holland  
Inquiry Secretary  
Inquiry into the National Vocational Education  
and Training Regulator Bills 2010  
Senate Education, Employment and Workplace Relations  
Committees  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600

MT 11/120

Dear Dr Holland

I write in response to your invitation of 14 February 2011 to make a written submission to the Inquiry into the National Vocational Education and Training Regulator Bills 2010 [2011].

Thank you for the invitation to make a submission on this important issue. Please find attached the NSW Government's submission to the Inquiry.

If you require any further information or clarification on issues raised in the submission, please do not hesitate to contact Mr David Collins, General Manager, State Training Services, NSW Department of Education and Training on telephone number 9561 8171 or [David.Collins@det.nsw.edu.au](mailto:David.Collins@det.nsw.edu.au).

Yours sincerely \_\_\_\_\_

Michael Coutts-Trotter  
**DIRECTOR-GENERAL OF EDUCATION AND TRAINING**  
**MANAGING DIRECTOR OF TAFE NSW**

3 March 2011



## NSW GOVERNMENT SUBMISSION TO THE INQUIRY INTO THE NATIONAL VOCATIONAL EDUCATION AND TRAINING REGULATOR BILLS 2010 [2011]

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New South Wales strongly supports and welcomes the establishment of a new national system of regulation for the vocational education and training (VET) sector.

### ***Vocational Education and Training in New South Wales – The current situation***

Over 500,000 students a year undertake vocational education and training through TAFE NSW, community and private training providers. New South Wales is Australia's largest market for international students, with VET being the fastest growing sector in the State's international student market.

NSW has always maintained a high standard, rigorous, risk-based regulatory framework for providers headquartered in the State which balances the rights and interests of consumers, students and industry with a high level of training quality. The NSW Vocational Education and Training Accreditation Board regulates over 1,000 registered training organisations that are headquartered in New South Wales.

### ***Issues with State-based regulatory arrangements***

Current national agreements allow training providers based in other states and territories to operate across state borders. There are over 1,100 training organisations registered in other jurisdictions currently operating in New South Wales. By virtue of these national agreements, interstate providers fall outside the regulatory control of New South Wales.

The NSW Government has had constrained capacity to act to protect student entitlements or prosecute unreliable or failed providers registered in other states. There have been numerous examples where providers have failed to meet regulatory requirements and standards to the detriment of students and the reputation of the system as a whole. In these cases, the only course of action available to New South Wales has been to appeal to the responsible jurisdictions to follow their regulatory processes. New South Wales does not see this as the most effective way to deal with these matters.

### ***National regulatory control, better student protection***

New South Wales strongly supports a single, national VET regulatory system, as demonstrated by its support for this system through the Council of Australian Governments (COAG) and the State's consequent referral of its VET accreditation and regulation powers to the Commonwealth Government on 7 December 2010.

The move to a national regulatory framework will significantly raise both the quality of VET provision across state borders and consumer confidence in the performance of VET providers. It will demonstrate to local and international students that Australia is serious about tightly controlling risky training providers and is committed to maintaining high quality standards in a very competitive marketplace.

The national reforms to VET regulation will provide assurance to students and to industry that they will receive the highest quality training, no matter which provider they choose to attend or which state they live in.

The Commonwealth legislation to establish the National VET Regulator was agreed to by the states and territories after lengthy and detailed negotiations. NSW then referred its constitutional powers to regulate in this area to the Commonwealth on the basis of this legislation.

New South Wales expects the new regulatory regime to have an appropriate balance of rigour and risk. A National Standards Council will develop national standards for agreement by Ministers at the Standing Council on Tertiary Education, Skills and Employment (formerly the Ministerial Council for Tertiary Education and Employment).

New South Wales is confident that the legislation will enable strong national regulation to the benefit of students, employers and the NSW economy.