



Australian Government
Australian Skills Quality Authority

ASQA

Gerry McNally
Committee Secretary
Education and Employment Legislation Committee
Via email: eec.sen@aph.gov.au

Dear Mr McNally

Inquiry into the ESOS Amendment (Quality and Integrity) Bill 2024

The Australian Skills Quality Authority (ASQA) is pleased to make a submission to the inquiry into the *Education Services for Overseas Students (ESOS) Amendment (Quality and Integrity) Bill 2024* (the Bill). Our comments in this submission are focused on matters relating to implementation.

Background

ASQA is Australia's national vocational education and training (VET) regulator. We ensure quality VET so that students, industry, governments and the community have confidence in the integrity of national qualifications issued by training providers, and that students are protected from any practices that come at the expense of their ability to gain the required competencies.

We regulate providers that deliver VET qualifications and courses to students in Australia or offer accredited Australian qualifications internationally, providers that deliver VET courses to overseas students, and certain providers that deliver English Language Intensive Courses for Overseas Students. Of the 3,884 providers ASQA regulates, 900 deliver VET to overseas students and an additional 79 deliver English language courses only to overseas students.

Focus on quality and integrity of VET

The Commonwealth and state and territory governments have supported a range of measures to strengthen quality and integrity within the VET sector. These include:

- changes to the current Standards for Registered Training Organisations (RTOs), and endorsement of revised standards for RTOs coming into effect in 2025
- strengthened fit and proper person requirements
- various reforms enacted through the *National Vocational Education and Training Regulator Amendment (Strengthening Quality and Integrity in Vocational Education and*

Training No.1) Act 2024, to enable ASQA to take action to deter and remove non-genuine or unscrupulous RTOs.

ASQA has also had investment in an Integrity Unit, bolstering our investigation, enforcement and intelligence capability, including multi-agency compliance operations and the establishment of a tip-off line. From 1 July 2023 to 31 May 2024, ASQA has conducted 142 site visits of international education providers (of which 54 were unannounced visits) and made regulatory decisions to either cancel, suspend or reject the renewal of registration for 53 providers.

Other measures, such as the recently introduced “lapsing provision” which sees an RTO’s registration lapse if they fail to deliver training and/or assessment for 12 consecutive months, will further assist in removing non-genuine providers from the sector.

Education Services for Overseas Students (ESOS) Amendment (Quality and Integrity) Bill 2024 (the Bill)

The Bill will provide ASQA with additional regulatory powers to respond to quality and integrity issues in the international education sector. Some of the amendments proposed broadly mirror and extend those in the *National Vocational Education and Training Regulator Amendment (Strengthening Quality and Integrity in Vocational Education and Training No.1) Bill 2024* which received Royal Assent on 28 March 2024.

Close attention will be needed to establish clear parameters for implementation of the VET Sector Planning Level (VET-SPL) in order to provide clarity for the sector and ASQA (as ESOS Agency). Stipulating the number of overseas students enrolled with a provider can only be determined by policy agencies.

It will be critical that enrolment or course limits are managed through the Department of Education’s international education data system, PRISMS. That is, the system needs to be able to manage a provider’s cap/s in real time, for example preventing it from enrolling students once the overall cap is reached, or ensuring a course limit within an overall cap is not exceeded. While ASQA has received investment to upgrade its own systems, this will take a number of years to fully implement and will not substitute for the functionality needed in PRISMS to implement these measures. It would be very inefficient if manual monitoring was required by ASQA to maintain the caps across 979 providers and would result in the diversion of a significant number of resources away from activities addressing compliance and integrity risks in the sector.

ASQA is conscious of VET sector concerns that measures proposed by the Bill may reduce the financial viability of some providers, resulting in potential closures (or mergers) and should this outcome eventuate, the consequent impact on displaced students (both international and domestic) will need to be managed. This will require ASQA to work with the exiting provider to transfer out students to a new provider, collect student records, ensure data is provided to the National Centre for Vocational Education and Training (NCVER), and close-out the providers’ registration. This will also require ASQA’s oversight of any changes of ownership.

While international students may be eligible to access some assistance from the Tuition Protection Service (TPS), the scheme is generally only available to domestic students with a VET Student Loan (VSL), and the potentially available assistance differs.

I thank the Committee for the opportunity to provide a submission and ASQA would be happy to make itself available for questions from the Committee.

Yours sincerely,

Saxon Rice
Chief Executive Officer

Australian Skills Quality Authority
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