



Australian Government
Australian Skills Quality Authority

Hon Janine Freeman MLA
Chair
Education and Health Standing Committee
Legislative Council, Parliament House
PERTH WA 6000
By email to: laehsc@parliament.wa.gov.au

Dear Ms Freeman

Re: ASQA Submission to Education and Health Standing Committee into the delivery of Vocational Education and Training in Schools (VETiS)

Thank you for the opportunity to provide this submission into the above inquiry.

This submission specifically responds to the Inquiry Term of Reference 3 – Registration and ongoing monitoring of training organisations

Whilst education of school students is the domain of the WA government and non-government school sector, the Australian Skills Quality Authority (ASQA) is the national regulator of vocational education and training (VET) in Australia. This responsibility encompasses regulating around 4100 registered training organisations (RTOs) delivering to in excess of four million students each year. This includes 213 active RTOs based in Western Australia that are regulated by ASQA, although other non-WA based RTOs may be involved in delivering VETiS in WA.

Currently there are 241 RTOs regulated by the Western Australia Training and Accreditation Council (WA TAC) as Western Australia has not yet referred its VET regulatory powers to the Commonwealth.

An ongoing rise in the number of VETiS enrollees has been largely driven by the Western Australian Certificate of Education (WACE) requirement, that if a high school student has not completed at least four year 12 Australian Tertiary Admission Rank (ATAR) courses, they must achieve a full AQF Qualification Certificate II or higher to be awarded a WACE. Schools and high school students have embraced VET, and the number of courses studied and students enrolled far exceeds those who require the minimum VET qualification to achieve a WACE.

Of the approximately 150 RTOs involved in delivering VETiS to approximately 50,000 students in 2017 just over half are estimated to be ASQA regulated RTOs. Although these students are enrolled with RTOs the majority of courses are being delivered by schools themselves via third party auspicing or partnership arrangements with RTOs.



ASQA applies a risk based regulatory approach which allows the regulator to target the risks to the quality of the sector – whilst also minimising the burden from the majority of those regulated by ASQA. In determining risks to the sector, amongst other strategies ASQA undertakes an annual environmental scan to analyse existing and emerging issues. Risks are identified as either systemic (applying across the VET sector) or provider based (applying to a specific provider).

Systemic risks identified by ASQA that are applicable to the VETiS context are:

- Amount of training.
- Capability of trainers and assessors.
- Online delivery and assessment.

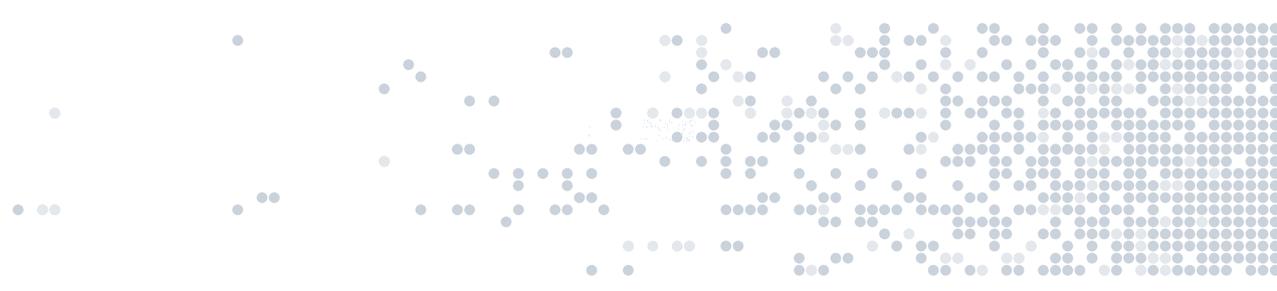
With regard to VETiS specific risks the ASQA environmental scan also identified the following :

- third party delivery – trainers and assessors drawn from the schools teacher population whose qualifications do not meet the Standards including vocational competence and industry experience.
- third party delivery – schools modifying and substituting training materials, resources and assessment tools.
- governance, including managing partnerships.
- the inability of school age students to meet training package requirements such as work place environments or hold the supervisory or life skills required for some qualifications.
- marketing and enrolment – student choice is based on what is available at the school rather than being industry or learner led.
- the age of students means they are a vulnerable cohort who may not be fully aware of the service they are “purchasing”.
- the volume of VET graduates presenting to employers who are wary of their credentials and the inflated expectations students may have regarding their employability.

These identified risks mirror some of the risks identified by WA TAC in their 2014 Strategic Industry Audit of VET in Schools Delivery. ASQA has a strong working relationship with the WA TAC and both regulators share information as required to support their assessment of risks and their regulatory actions against RTOs that do not meet their obligations under the VET Quality Framework.

Other issues include the WACE impact if a provider closes unexpectedly or is notified of an intent to cancel. This may be due to the regulator taking action in regard to a provider or may occur when a provider is placed into liquidation. 2016/17 has seen examples of both of these activities. Where large numbers of students are enrolled with a single provider this may have a very significant impact, not just on the students individually, but on the integrity of the WACE if large numbers of students have to rely on the “special considerations” process that is offered by SCSA where a student’s WACE achievement has been adversely affected by matters outside of their control.

“Careers Australia RTO 31470” was a large provider delivering a large scope of training to a very large national student population including approximately 400 VETiS students in Western Australia.



The RTO is now in liquidation. A liquidation is a closure without any notice and the Department of Education and the Catholic Education Office have both faced issues with the retrieval of student work post the RTO's collapse.

Whilst ASQA has been assisting as much as possible, learnings from this experience include that the schools have not been proactive in ensuring that copies of students work has been retained, and in some cases schools have not monitored that assessment has been taking place progressively throughout the academic year.

"Hands On Computer Training Pty Ltd RTO 2058" trading as AICT is a WA based RTO that was issued an "intent to cancel" by ASQA when it was identified it was providing courses to students that were not on their scope of registration. Although the cancellation was subsequently set aside by the Administrative Appeals Tribunal via a Terms of Agreement there was significant fallout in the VETiS sector.

ASQA notifies State Government Stakeholders prior to notification of the RTO. ASQA and the various WA Departments worked cooperatively to ameliorate the impact on the approximately one thousand VETiS students enrolled - including delaying notification of the decision until recovery arrangements could be determined. Learnings from this experience include that schools did not check that the provider was registered to deliver the services they have purchased.

Under current arrangements it is the schools responsibility to conduct due diligence in their selection of provider and the monitoring of training delivery. Price as the determinant is not conducive to driving quality outcomes.

ASQA makes no specific recommendation to the inquiry in regard to these matters as education of school students is the domain of the WA government and non-government school sector.

I wish to advise that ASQA does not seek to appear before the Committee but a representative will be available if requested. I note that this submission may be published at the discretion of the inquiry.

Please contact Ms Lesley Warren, Manager Regulatory Operations Perth, if you require further advice in relation to this matter. Her contact details are: lesley.warren@asqa.gov.au or telephone 08 9464 4202.

Yours sincerely



Mark Paterson AO

**Chief Commissioner and
Chief Executive Officer**

// August 2017