



**THE HON ANDREW GILES MP
MINISTER FOR SKILLS AND TRAINING**

MS24-000915

Ms Saxon Rice
Chief Executive Officer
Australian Skills Quality Authority

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Dear Ms Rice

Saxon

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 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*.

As the National Vocational Education and Training Regulator, ASQA is the primary agency responsible for national regulation of the vocational education and training sector (VET). ASQA's regulation is key to encouraging and promoting a high-quality VET sector to respond to skills and labour shortages facing Australia now and to supply the skills that Australia needs for a prosperous society and secure economy.

ASQA's regulation of the sector has a dual purpose to protect and enhance quality, flexibility and innovation in VET as well as to protect and enhance Australia's reputation for VET nationally and internationally. ASQA's work is essential 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 strong high-quality sector

The government is committed to continued action to promote a high-quality VET sector with trusted public institutions at the heart and a diverse range of high-quality registered training organisations. A central objective of ASQA's work is applying a standards-based regulatory framework that enables quality, flexibility and innovation in VET. A key focus for ASQA over the coming years will be the transition to and ongoing implementation of the revised Standards for Registered Training Organisations (RTOs).

The revised Standards represent a step change in all governments' shared ambition to lift quality and integrity across the entire sector, through enabling a more flexible, robust and quality-driven approach to regulation. Ongoing engagement with the sector throughout this transition will be important to support RTOs to understand these changes and review their operations to ensure they maintain compliance and continuously improve. I ask ASQA to continue to engage and collaborate with the sector to support these changes and to manage non-compliance proportionately while maintaining essential safeguards while minimising regulatory burden.

The revised Standards enable providers to not just comply but to strive for quality outcomes. I ask ASQA to use this opportunity to further mature its differentiation of its regulatory strategies based on the significant variability in governance, quality, culture and self-assurance capabilities across the sector. This should support TAFEs to further develop their role at the heart of the VET sector. I ask to be kept informed of how ASQA is progressing a more differentiated approach to its regulatory supervision, in engagement with Skills Officials.

I acknowledge that fully delivering on the revised Standards involves cultural change in the sector and for the regulator and expect ASQA to work across the VET system in partnership with stakeholders to support provider capability and build regulatory performance, capability and culture and to build trust and confidence in Australia's regulatory settings.

Integrity in the sector

Non-genuine providers and bad-faith operators that engage in fraudulent, illicit or unethical activities undermine a strong quality sector and threaten the integrity of VET. Bad-faith operators can create unfair competition for legitimate VET businesses and industries, exploit vulnerable people, and increase pressure on the economy through undermining immigration systems, and enable unqualified people entry into critical roles putting themselves, workplaces and the community at risk.

Over the past 2 years ASQA has progressed significant reforms to support the government's agenda to strengthen quality and integrity within Australia's VET sector as a result of the *Rapid Review into the Exploitation of Australia's Visa System* and the Migration Strategy. This includes Legislative amendments to the NVETR Act to ensure ASQA has the necessary regulatory tools to enforce compliance and impose penalties to deter egregious provider behaviour in both the domestic and international VET sector.

I expect ASQA to continue to deliver on government's investment in an Integrity Unit and tip-off line to target unlawful provider behaviour, fraud and serious non-compliance using the full range of its regulatory powers and working in collaboration with other government and law enforcement agencies to detect and disrupt egregious and illegal behaviour especially where these threaten student safety or wellbeing. This includes the multi-jurisdictional intelligence sharing and coordinated responses through Operation Inglenook and the Fraud Fusion Taskforce. Further, I expect ASQA to work collaboratively with the Department of Employment and Workplace Regulations, state and territory regulators, departments and industry to manage and support areas of joint responsibility where integrity issues are identified to ensure community safety and protect the integrity of national qualifications.

The nature of this activity and the threat to the reputation of the sector is continuously evolving and potentially places at risk, individual workers, workplaces and members of the community in sectors such as aged care, disability, childcare, individual support and construction related industries.

In order to protect the public and the integrity of the VET sector, I ask that ASQA keep me informed of its ongoing program of regulatory action against non-genuine and bad faith providers and its consideration of the legitimacy of tens of thousands of individual qualifications and statements of attainment through clear and timely reporting and briefing of any issues that may affect the integrity or reputation of the VET sector, sector performance, and risks to students and the community.

Regulatory practice

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).

I expect that the government's investment in ASQA's digital and data capability will build stronger foundations for a forward-looking and agile approach to the use of technology over forward years and enable ASQA to identify and respond to risk and continuously maintain its regulatory systems throughout the regulatory life cycle and achieve outcomes cost-effectively for Australians and businesses.

Collaboration and stewardship

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. In particular, to collaborate and advise the Department of Employment and Workplace Relations as responsible for VET policy at the Commonwealth level on matters relating to quality and integrity of VET, and also with the Department of Education on international education matters and to support a more harmonised approach between VET, higher education and migration.

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 that ASQA is proactive in collaborating across government to share and use data throughout the regulatory life cycle to identify risk, inform decision-making, understand regulatory impact and to predict and evaluate the regulatory need and potential challenges.

Subject to capacity, and in alignment with the Department of employment and Workplace Relations bilateral engagement priorities, ASQA should continue to explore opportunities to engage with counterpart agencies in Australia's international partner countries to deepen understanding of respective regulatory environments, risks and approaches.

Driving ASQA's performance through the leadership of the Chief Executive Officer

As Chief Executive Officer of ASQA, I expect that you will lead the agency to strive for best practice, in accordance with the Regulator Performance Resource Management Guide (RMG 128), and that you will be accountable for ensuring ASQA fulfils 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:

- continuously and actively 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, evidence-based analysis, data and advice to me and the SWMC on addressing risk in the VET sector.

I ask that you ensure that I am kept informed of matters relevant to the quality and integrity of VET and the performance of ASQA's functions.

The statement should be integrated into your performance reporting processes as required under the *Public Governance, Performance and Accountability Act 2013* as part of your 2025–26 corporate planning process and for your Annual Report prepared for the 2024–25 reporting period.

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



ANDREW GILES

6 / 3 / 2025