



Australian Government  
Australian Skills Quality Authority

ASQA

10 January 2023

Office of the Clerk Assistant (Committees)  
House of Representatives  
PO Box 6021 Parliament House  
CANBERRA ACT 2600

By email: [REDACTED]

To the Joint Standing Committee on Foreign Affairs, Defence and Trade, Trade Subcommittee,

The Australian Skills Quality Authority (ASQA) is responsible for ensuring training providers delivering vocational education and training under the Australian Qualifications Framework to international students onshore and offshore meet their regulatory obligations for quality training and student protection. ASQA also oversees the delivery of English Language Intensive Courses for Overseas Students (ELICOS) by certain providers.

Consistent with our functions as the national vocational education and training (VET) regulator, ASQA worked closely with providers registered with us to deliver VET to international students or ELICOS throughout the COVID-19 pandemic, to continue to assure quality training and protect the reputation of Australian VET and ELICOS.

ASQA's regulatory response to the pandemic included implementing a suite of measures to assist providers in responding to the impacts of the pandemic and associated travel restrictions and social distancing requirements, maintain continuity of learning for students and support the long-term viability of providers in the sector.

These measures included implementation of the Government's fee relief, delayed renewal of registration, relaxation of compliance with data provision requirements and affording flexibility in relation to prescribed limits to allow the delivery of online learning. These measures were implemented while maintaining essential safeguards and standards for the sector.

ASQA continues to monitor how training providers delivering VET to international students or ELICOS are adjusting to and recovering from the impacts of the pandemic.

ASQA also undertook a Strategic Review of Online Learning, commencing in the early phase of the pandemic, to understand the transition to greater amounts of online training delivery by providers and support providers to continue to meet their regulatory requirements and maintain quality. This work, in conjunction with our ongoing engagement with stakeholders, has been instrumental in our understanding of risks to quality associated with online delivery, the growth in capability across the sector for delivering and quality assuring online training. The Strategic Review of Online Learning report is soon to be released.

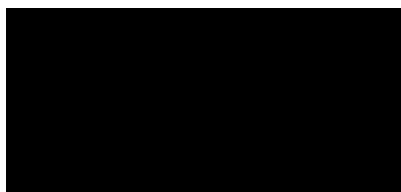
ASQA's submission to the inquiry draws on what we have learnt from the shift to online learning during the pandemic. ASQA supports retaining some level of prescribed in-person attendance for international students and ELICOS as an important aspect of safeguarding student outcomes and to support quality assurance. However, policy settings that prescribe the limits for online learning need revision to recognise the maturation of the sector and growing capability to deliver quality online training and ELICOS, and to better distinguish between types of online delivery such as self-directed learning and asynchronous and synchronous delivery when considering regulatory limits on the appropriate amount of training to be delivered online.

ASQA is also acutely aware of a number of risks associated with international VET and ELICOS delivery including those that can arise from criminal activity in the form of collusion between unscrupulous, non-genuine providers and unethical education agents, motivated by visa fraud. This type of criminal activity can inflict significant harm on students, on confidence in an otherwise dedicated and committed sector and damage Australia's reputation for quality educational outcomes.

Our submission has highlighted some characteristics of the sector and the regulatory settings, resources and information that are critical to enable ASQA as the national VET regulator to detect and deter this activity (in co-operation with law enforcement and other agencies) to safeguard the reputation of delivery to international students and underpin recovery and ongoing resilience of international education.

The evidence and insights supporting ASQA's position are outlined in ASQA's submission at **Attachment A**. We would be very happy to meet with members of the Joint Standing Committee to provide further detail regarding the VET sector or the regulatory settings which ASQA relies on to detect and mitigate risk to the quality and reputation of Australian VET delivered to international education. Please contact Denise Lowe-Carlus, Executive Director, Policy and Partnerships. [REDACTED]

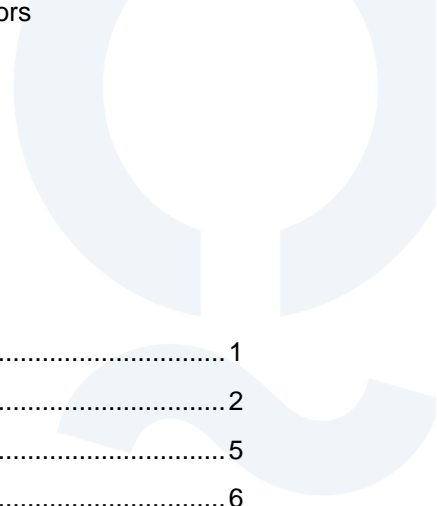
regards



Christina Bolger  
**Acting Chief Executive Officer**

# Protecting the quality and reputation of ELICOS and vocational education and training for international students





## Contents

1.	Background .....	1
2.	Context .....	2
3.	Key issue: non-genuine providers.....	5
4.	Key issue: online learning .....	6
5.	Key issue: education agents .....	8
6.	Key issue: delivery location.....	9
7.	Key issue: offshore delivery (transnational VET) .....	9

# 1. Background

## Regulatory responsibility for international education

The Australian Skills Quality Authority (ASQA) has a number of responsibilities regarding the oversight of quality assurance for vocational education and training (VET) delivered to international students on-shore and in-country (offshore).

International education comes under ASQA's jurisdiction when:

- an Australian registered training organisation, or an agent operating on its behalf, provides vocational education and training (VET) courses leading to certification under the Australian Qualifications Framework (AQF), to an international student who holds a student visa and is visiting or planning to visit Australia
- an Australian registered training organisation, or an agent operating on its behalf, delivers VET courses leading to AQF certification to students who attend training venues or workplaces in overseas locations, or who study through online or distance learning methodologies from overseas locations (transnational VET)
- certain providers deliver English Language Intensive Courses for Overseas Students.

ASQA's responsibilities for regulating training providers delivering international education in these contexts are outlined in:

- the National Vocational Education and Training Regulator Act 2011 (NVETR Act)
- the Education Services for Overseas Students Act 2015 (the ESOS Act) and associated regulatory framework, which outlines delivery requirements for courses delivered to international student visa holders and listed on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS), as well as English Language Intensive Courses for Overseas Students (ELICOS).

ASQA's regulation of VET delivered to international students and protection of the international reputation of Australian VET sector supports initiatives to expand VET delivery to international students to address Australia's skills shortages, support economic recovery and improve the resilience of the international education sector.

## Regulatory approach

ASQA uses a full range of risk-based, regulatory approaches to encourage and enforce provider compliance with legislation. This includes providing information and education about providers' regulatory obligations and risks to quality to support transparency of our regulatory approach and enable providers to self-assure their training outcomes. Where providers do not meet their regulatory obligations, ASQA applies a range of administrative and enforceable actions, proportionate to the risk.

ASQA also works in partnership across government to promote and support quality VET and providers' capacity for continuous improvement of VET outcomes; to detect and deter non-genuine providers and safeguard the integrity of the international VET and ELICOS sectors.

ASQA has identified delivery to international students as one of its Regulatory Risk Priorities for 2022-23.<sup>1</sup> This means ASQA consistently treats VET delivered to international students and ELICOS as higher risk through the range of education, compliance and enforcement strategies it uses to treat risk at the provider and sector level. This includes undertaking routine and risk-based monitoring

---

<sup>1</sup> <https://www.asqa.gov.au/how-we-regulate/regulatory-priorities/asqas-regulatory-risk-priorities-2022-23>

focusing on providers that have one or more of the qualifications with the greatest exposure to international students on their scope of registration.

### **Key issues**

ASQA's ongoing ability to detect and treat risk to the quality and reputation of Australian VET delivered to international students and ELICOS, and ensuring the necessary safeguards, is fundamental to the sustainable recovery and future resilience of this segment of the international education sector.

Our submission to the inquiry into Australia's tourism and international education sectors, by the Joint Standing Committee on Foreign Affairs, Defence and Trade, through the Trade Subcommittee into Australia's tourism and international education sectors (the inquiry) focuses on those characteristics of the sector and regulatory settings that underpin ASQA's regulation, the particular challenges and opportunities for quality assurance and support for the sector's pandemic recovery and capacity for continuous improvement to meet demand for skills growth.

Our submission addresses the following terms of reference in relation to international education:

1. challenges associated with the loss of international student numbers as a result of the significant disruption caused by the COVID-19 pandemic and effective measures to attract and retain students to Australia
2. online innovations in education delivery and potential opportunities to strengthen the sector's resilience
3. initiatives to ensure positive international student experience and support pathways to build their skills and contribute to Australia's prosperity.

Section 2 of our submission outlines the context to our recommendations, including a brief profile of the international VET and ELICOS sector and our understanding of the disruption to and adaptation by the sector in response to the COVID-19 pandemic. This is an important view of the sector's context, in particular because of the insights and experience this disruptive period provides for segment of the international education market previously limited in its uptake of online training delivery technologies and methods due to regulatory requirements established to support quality assurance and student protection.

Sections 3 through to 7 outline the risks to the quality and reputation of VET for international students and ELICOS, challenges and opportunities and recommendations for supporting sector recovery and future resilience according to the key issues of: non-genuine providers; online learning; education agents; registration of delivery location and offshore delivery (transnational VET).

## **2. Context**

### **International VET and ELICOS sector profile**

Under the NVETR Act, ASQA regulates 3796 RTOs, comprising over 92% of Australia's 4110 RTOs<sup>2</sup>.

---

<sup>2</sup> <https://training.gov.au/Reports/RtoCount>

- Sourced on 09/01/2023

Under the ESOS Act, ASQA regulates 896 registered providers, comprising over 86% of Australia's 1043 *registered providers* that are not exclusively schools. This includes:<sup>3</sup>

- 227 registered providers that provide both VET and ELICOS courses to overseas students
- 583 registered providers that provide VET courses to overseas students
- 86 registered providers that provide ELICOS courses to overseas students.

In December 2021, 40 percent of year-to-date international student enrolments were in a VET qualification (284,994). This was down 6 percent compared to year-to-date international student enrolments in December 2020.<sup>1</sup> Visa type data (Table 2) also provides an indication of the proportion of international students studying VET, both onshore and offshore, in the context of all categories of international education and training.

About 10 per cent of all VET delivery is to 'international students' (7.92 per cent in 2017, 9.07 per cent in 2018, 10.04 per cent in 2019, 10.64 per cent in 2020, 10.25 per cent in 2021). Looking at program enrolment data, offshore delivery constitutes about 1 per cent of all VET activity (1.02 per cent 2017, 0.86 per cent 2018, 0.98 per cent 2019, 0.74 per cent 2020, 0.90 per cent 2021).

Of 122,202 international students enrolled in a VET qualification on 1 July 2022, 86 per cent (105,233) were onshore, 5 per cent (5708) were offshore and the location of 9 per cent (11,261) was unknown. Of the 15,785 students enrolled in ELICOS, 86 per cent (13,530) were onshore, 7 per cent (1111) were offshore and the location of 7 per cent (1144) was unknown.

China is the largest offshore market for VET providers by a significant margin (60%) followed by New Zealand and Indonesia with about 6% of activity each after that.

Similar to the domestic market, the international VET sector is characterised by large number of providers compared to the higher education sector. At 30 June 2022, 833 of the entities regulated by ASQA were registered to deliver VET and/or ELICOS to international students, on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). This is approximately 22 per cent of providers regulated by ASQA have CRICOS registrations.

### **COVID disruption and adaptation**

During the global COVID-19 pandemic, border closures prevented the arrival of international students and localised lockdowns prevented training providers from delivering training and assessment to students in a face-to-face environment. Limited support for international students also meant that many students needed to return to their home countries during this time.

This created significant disruption in the delivery of VET international students stand ELICOS, given minimum requirements for in-person attendance set out in the regulatory requirements for training providers delivering these services for international students.

This disruption presented a significant risk to the continuity of student learning and there were serious concerns for the long-term viability of many training providers. ASQA responded with a risk-based approach and adjusting its posture to assist VET and ELICOS providers manage the considerable challenges associated with the COVID-19 pandemic. This response aimed to address the risk to continuity of learning for students, provider viability and ultimately training quality.

---

<sup>3</sup> <https://prisms.education.gov.au/Main/Internal/Reports/Reports.aspx> - 1/12/22

The package of measures designed to support training providers to respond to the impacts of the COVID-19 pandemic implemented by ASQA comprised:

1. extending registration periods of providers approaching registration expiry
2. applying government's decision to afford fee relief for providers
3. pausing or deferring data provision obligations
4. allowing ESOS registered providers to exceed the prescribed limits for online delivery to enable them to continue training international students, whether on or offshore, but only so far as valid and reliable assessment was possible and competency decisions would not be compromised.

Providers were still required to comply with all other regulatory requirements, meaning each student's competence was to be assessed in accordance with the principles of assessment and rules of evidence, and delivery methodologies used must be conducive to the specifications of the course. For instance, where a course mandates that a student's competence must only be assessed in a live workplace environment, full online training and assessment is not permissible.

To continue service delivery to existing students and to attract new students, many providers quickly transitioned to delivery training online or using other remote learning delivery methods.

A survey conducted as part of ASQA's Strategic Review of Online Learning found that 31.4% of ELICOS providers reported transitioning to fully online and 35.8% moved to blended modes of delivery.<sup>4</sup> Of all the survey respondents, nearly 30% of providers delivering VET to international onshore students moved to fully online, and nearly 90% moved to offering some training or assessment online. Providers delivering to international offshore students had over 25% move to fully online and over 80% move at least some training or assessment online.

The research also identified varying levels of experience and preparedness to support a transition to online delivery.

Ultimately, 13 providers opted to discontinue business operations altogether, with plans to resume when able.

With the end of travel restrictions and social distancing, the need for regulatory flexibility has diminished. In response to the return of international students and resumption of face-to-face learning, ASQA has rolled back measures applied to assist providers and maintain continuity of learning, such as deferral of registration renewal and regulatory data reporting. The Australian Government determined that fees and charges were payable by all providers for the majority of ASQA's regulatory functions 1 July 2022. Fees and charges for providers that deliver only ELICOS were waived for an extended period to 1 January 2023.

ASQA and TEQSA will also require providers to return to compliance with all ESOS regulatory requirements, particularly limits to online delivery, from 1 July 2023. Providers that exceeded these limits for online and other remote learning methods to continue training delivery throughout the pandemic, permitted under ASQA's temporary flexibility, must return to compliance by 1 July 2023.

---

<sup>4</sup> <https://www.asqa.gov.au/sites/default/files/2022-04/Strategic%20review%20of%20online%20learning%20-%20insights%20paper%203.pdf>



### 3. Key issue: non-genuine providers

#### **Risk**

While the majority of training providers demonstrate the capability and commitment to deliver quality VET outcomes, ASQA is alert to the risk to the quality and international reputation of Australian VET and ELICOS that can arise through exploitation of the sector for criminal activity. This risk arises through collusive activity between non-genuine providers, unethical education agents and students who seek to enter Australia for paid employment, rather than to engage in study. These cases can undermine confidence in Australian VET qualifications and system.

Policy and regulatory settings recognise that international students seeking to study VET in Australia can be particularly vulnerable to exploitation by non-genuine providers and education agents. With the investment in skills growth and return of international students it is important to review if controls can be strengthened to detect and treat this risk.

#### **Managing risk**

ASQA works with the Department of Home Affairs, Department of Education, Austrade, law enforcement agencies, states training authorities, the Overseas Student Ombudsman on a regular basis including through the Education Regulators and Immigration Committee (ERIC) to detect and address risks to training quality and student well-being

ASQA also regularly updates education and guidance materials to raise provider awareness of and capacity to meet their regulatory obligations regarding international students (under the ESOS Act). ASQA also provides information to assist students, education agents and other third parties to recognise non-compliant behaviours.

ASQA also monitors student in-person attendance data to identify potentially non-compliant practices to investigate further using its powers, including through unannounced and under warrant site visits, unannounced site visits with consent and interviews with training provider staff and former staff.

This structured element of in-person attendance for full-time international students is an important quality control measure in international VET and ELICOS and supports ASQA in detecting non-compliant practices.

Despite these requirements, covert practices can be difficult to detect. Therefore, ASQA exchanges information and coordinates activity with migration and law enforcement agencies, as in the case of Operation INGLENOOK, the Australian Government's response to identify and treat the threat to Australia's border by those seeking to exploit visa programs and visa holders who are victims of trafficking.

#### **Challenges and opportunities**

Accurate recording and reporting of student attendance is necessary for ASQA to monitor compliance with attendance requirements under the ESOS regulatory framework. ASQA support amendment to the National Code to reinforce the requirement for providers to ensure class attendance (in addition to course progression), following ASQA's attempt to address attendance of non-genuine students was challenged in the Administrative Appeals Tribunal, with the challenge being upheld.

#### **Considerations**

1. Retain a minimum requirement for some in-person attendance for international students to support quality assurance, while supporting the sector to increase the amount of online learning in recognition of the uplift in capability to deliver quality training online and role of

online delivery in the sustainable recovery and ongoing resilience of international education.  
(See also below for online leading)

2. Clarify legislative requirements for providers to monitor and record student attendance

## 4. Key issue: online learning

### Risk

Requirements for minimum levels of face-to-face learning are embedded in the regulatory requirements for the delivery of VET for international students and ELICOS as a quality control measure to ensure students are genuinely engaged in training and the associated cultural experience and receive appropriate support while living away from their usual support networks in an international setting.

These regulatory settings stipulate that:

- VET and ELICOS courses must be delivered only at locations within Australia where the provider has been approved to deliver those courses (i.e. not offshore or fully online)
- for VET courses:
  - no more than one-third of the units of competency comprising a student's course may be delivered online or by distance
  - throughout their course, students must always be studying at least one unit not by online or distance
  - providers must ensure students attend at least 80% of their scheduled program, if minimum attendance has been set by ASQA as a condition of registration
- for ELICOS courses:
  - students must be scheduled to attend a minimum of 20 hours per week of face-to-face course contact
  - providers must ensure students attend at least 80% of their scheduled course contact program
  - any online or distance learning must be in addition to face-to-face learning.

As described above, there was a rapid transition to online delivery across the sector in response to the disruption caused by COVID-19 and the temporary regulatory flexibility afforded to providers by ASQA.

ASQA's Strategic Review of Online learning identified that risks to quality online delivery arise when students are enrolled in courses that do not suit their learning style, levels of literacy, language, numeracy, digital skills and system access, and trainers do not have the requisite skills in developing and delivering training online.

### Managing risk

ASQA has had a regulatory focus in supporting quality outcomes irrespective of delivery mode. Our education and engagement with the sector during the pandemic provided support for providers to assess and mitigate risks and develop mechanisms to assure outcomes for students during the shift to online learning.

Whilst there are better practice examples, there is limited and at best, only recent experience in the sector with online delivery of VET for international students and ELICOS. Many providers are still developing governance systems to assure training outcomes achieved through online learning, trainers and assessors are still developing skills in course development, training delivering and identifying student support needs.

ASQA and TEQSA now require providers to return to compliance with all ESOS regulatory requirements, particularly limits to online delivery, from 1 July 2023. Providers that exceeded these limits for online and other remote learning methods to continue training delivery throughout the pandemic, permitted under ASQA's temporary flexibility, must return to compliance by 1 July 2023.

The current draft of revised Standards for Registered Training Organisations places emphasis on provider responsibilities for governance monitoring and continuously improving training outcomes. This approach recognises a range of practices and levels of maturity of different providers' governance and training and assessment systems and practices. This approach provides opportunities to strengthen provider's governance and evaluation to ensure integrity of their operations and continuous improvement of student outcomes in the context of mixed modes of delivery.

### **Challenges and opportunities**

ASQA's soon-to-be published Strategic Review of Online Learning indicates that quality VET and ELICOS can be delivered online when students are adequately supported, trainers have the requisite skills and resources, providers can assure the outcomes intended by the Standards for Registered Training Organisation are being met and risks mitigated irrespective of delivery mode and location.

However, not all VET courses are conducive to online delivery as the vocational outcomes of competent performance often need to be applied in a practical or real-world environment. Some VET courses, in particular those leading to occupations in the personal care or service industries, stipulate in assessment guidelines that students must be assessed in a real work environment. This often requires structured work placements if students do not otherwise have access to a suitable workplace. Other courses may allow assessment in a 'simulated' work environment which can be open to individual judgement regarding whether an online environment is appropriate.

Few VET courses provide clear guidance about whether assessment through an online platform is appropriate to enable valid and reliable judgements of competence, particularly where this may involve the demonstration of soft skills.

Further, limits for online learning under the ESOS Act do not differentiate between the different forms of online delivery. In particular, there is no distinction between self-directed learning and online class delivered in either a synchronous or asynchronous manner.

There are opportunities to build on the work VET providers commenced during the pandemic to strengthen capability to deliver training online. In addition to upskilling trainers and assessors, providers in the sector have invested in education technology to support the delivery of quality training and assessment online. This includes incorporating new methods of training and assessment to ensure both the quality and integrity of qualifications delivered online remains high.

Students also reported valuing the flexibility that online learning can provide.

ASQA is aware the Department of Education (DoE) has indicated that reforms to the ESOS framework may consider the current settings for limits to online learning and the appropriate threshold to mitigate risks of poor outcomes whilst recognising the development in online delivery capability in the sector.

### **Considerations**

3. Retain a minimum requirement for some in-person attendance for international students to support quality assurance, while supporting the sector to increase the amount of online learning in recognition of the uplift in capability to deliver quality training online and role of online delivery in the sustainable recovery and ongoing resilience of international education.

4. Consider the amount of in-person attendance in relation to design of the course requirements and the suitability of online provision in its vocational outcomes. The training provider maintaining responsibility for ensuring training outcomes through a more comprehensive suite of governance practices to meet their obligations as per the revised Standards for RTOs for delivery of VET. This will also support a more robust regulatory framework to reinforce quality, enabling more effective course development, matching of student objectives, ability and support with delivery methods and professional development of trainers and language teachers.
5. Consider distinguishing between online delivery methods including self-directed learning and synchronous and asynchronous delivery, allowing quality assurance and risk controls to be stipulated and developed for different approaches, as appropriate. Key issue: education agents

## 6. Key issue: education agents

### **Risk**

Many training providers rely on education agents linking international students with their service. While ASQA does not have regulatory authority over the education agents, providers are required to have written agreements with agents detailing the scope of the arrangement and the responsibilities of each party. Providers are responsible for ensuring agents are operating in a manner consistent with the agreement. However, providers may have limited visibility of the practices of agents operating overseas or can be incentivised to ignore or accept poor practices in order to attract students to their service with their business dependent on the service provided by agents.

### **Managing risk**

ASQA's monitoring and compliance activities target collusion, opportunistic or misleading behaviour by providers and their agents.

ASQA provides education and guidance material to support providers to understand and meet their regulatory obligations in relation to education agents. Providers are ultimately responsible for maintaining compliance with the National Code of Practice for Providers of Education and Training to Overseas Students 2018 when agents act on their behalf.

Providers that deliver VET and ELICOS to overseas students under ESOS registration must report details of the education agents they have engaged to the DoE's Provider Registration and International Student Management System (PRISMS) registry.

Upgrades underway to PRISMS (data base) will allow providers to compare the performance of education agents they have worked with in the future. ASQA is supportive of this measure and will be exploring how to better protect providers from the negative repercussions that arise from poor agent behaviour.

### **Challenges and opportunities**

The majority of training providers demonstrate the capability and commitment to deliver quality VET outcomes. Such training providers will be motivated to ensure they are working with reputable agents and meet their regulatory obligations. There is potential however, for unscrupulous agents to act in collusion with non-genuine providers to engage in illegal migration practices which are difficult to detect and disrupt, as described above. There are opportunities to consider further controls to reduce the flow of business to unscrupulous agents and afford the sector greater protection to mitigate risk to students and the sector's reputation for quality.

### Considerations

6. Consider extending access to data about education agents to all providers registered under the ESOS Act (on the Commonwealth Register for Institutions and Courses for Overseas Students) and ELICOS providers.
7. Consider measures to strengthen regulation and quality assurance of education agent behaviours.

## 7. Key issue: delivery location

### Risk

Training providers' registration under the ESOS Act to deliver VET to international students or ELICOS, is linked to their registered delivery location. This is not the case for training organisations registered to deliver training to domestic students or to international students offshore under the NVETR Act. Under the NVETR Act, registration is not tied to specific location and providers are permitted to deliver from any location as long as it is suitable for the course outcomes. Providers are also able to change their delivery location without applying for a new registration.

### Managing risk

Assuring the continuous improvement of training outcomes is a key responsibility of training providers under both the NVETR Act and ESOS Act. Timely notification of any change to delivery location is considered adequate for regulatory oversight of training delivered to domestic students, or to international students studying offshore.

### Challenges and opportunities

During the pandemic, these settings meant that even though ESOS providers were permitted to deliver online, they were still required to maintain access to their primary delivery location. This requirement restricted ESOS providers from reducing their overhead costs related to their delivery location to maintain business continuity through the pandemic. This lack of flexibility, (which is afforded to training providers registered under the NVETR Act), constrains providers delivering VET for international students and ELICOS in their ability to be agile and reduce operating costs in response to market shocks such as that caused by the COVID-19 pandemic.

### Consideration

8. To support training providers delivering VET to international students and ELICOS to be flexible in responding to market shocks, consider whether provider registration being tied to a specific location is required to support quality assurance.

## 8. Key issue: offshore delivery (transnational VET)

### Risk

RTOs delivering to offshore students are not subject to any additional legislative requirements over and above the VET Quality Framework. This differs from the additional requirements placed on providers seeking to deliver to overseas students undertaking VET in Australia on a student visa, under the ESOS legislative framework. RTOs also delivery non-AQF training offshore and ASQA has no authority or role in the quality assurance of this training.

RTOs are also able to deliver non-AQF training in offshore markets, including micro-credentials and International Skills Training courses endorsed by the Australian Government. This is also the case in the domestic market VET sector. This is often delivered with a reliance on a training provider's status as an RTO registered with ASQA as a criterion for access to government funding or to attract offshore students to non-AQF training.

### **Managing risk**

Strategies ASQA has implemented to increase the visibility of offshore delivery and understand and respond to associated risks have included targeted engagement with providers regarding obligations when delivering offshore, as well as with key stakeholders including ASQA's counterparts and other regulatory bodies internationally. ASQA has a number of agreements with international VET regulators to support information exchange and support oversight of the practices of Australian training providers delivering training offshore.

The efficacy of these strategies has been impacted by limitations to the data collected through the Total VET Activity collection processes. As a condition of registration, RTOs are required to notify ASQA of their delivery locations, including any offshore delivery locations, as soon as practicable after they happen and within 90 calendar days. This time period creates a delay in ASQA's visibility of offshore delivery. Monitoring offshore training activity is complicated by students participating in training with an Australian registered training organisation offshore not having a Unique Student Identifier (USI)

The VET Data Streamlining initiative is a multi-year and complex project which intends to address issues relating to information collected through VET activity and there are opportunities to further validate data received and strengthen data on timing, nature, extent, and outcomes of delivery to offshore students.

Restrictions imposed by the NVR Act with respect to authorities with whom which ASQA can exchange information (i.e., the NVR Act restricts ASQA to exchanging information with bodies with whom it has an agreement (e.g., Memorandum of Understanding [MoU]) in place).

### **Challenges and opportunities**

Australia is seeking to expand offshore delivery of VET (transnational education) in key markets of India, Indonesia and South-East Asia to support skilled migration and expand the international VET.<sup>5</sup> State governments also invest in strategies to boost economic development through workforce and skills.

This growth will warrant corresponding expansion of regulatory oversight to protect the international reputation of Australian VET. ASQA's recent environment scan and stakeholder engagement identify a number of countries in priority markets for the expansion of transnational VET are in the process of introducing or improving the regulation of their technical vocational education (T-VET) sectors.

This heightened interest in the quality assurance of VET across the region provides an encouraging foundation for multilateral and bilateral engagements to share information and cooperate in the identification and treatment of risks to quality and confidence in Australian VET.

### **Considerations**

9. ASQA continues to support extending the Unique Student Identifier (USI) to students in offshore locations and understands the priority of extending the USI to Higher Education students was and the extension to offshore VET students was not previously supported by the USI Registrar.

---

<sup>5</sup> Malcolm. J. 2022. 'Foreign workers to train at home'. *The Australian*. 23 September 2022.

10. More proactive provider notification of expansion offshore through earlier notification of delivery locations would give the regulator much earlier visibility of the planned expansion of these markets and ensure that oversight and cooperative arrangements necessary for quality assurance are anticipated.
11. Consider quality assurance and provider governance of non-AQF training by Australian registered training providers that could contribute to protecting the international reputation of Australian VET, noting ASQA's jurisdiction does not extend to the systems and practices applied in the delivery of non-AQF training.