



Australian Government
Australian Skills Quality Authority

Ms Meredith Baker
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Productivity Commission
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By email to: skills.workforce.agreement@pc.gov.au

Dear Ms Baker

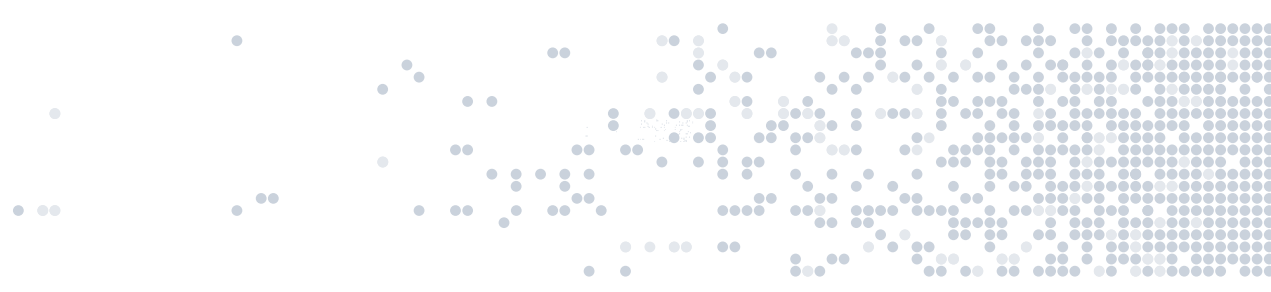
Re: Productivity Commission Review of the National Agreement for Skills and Workforce Development (NASWD)

Thank you for providing the Australian Skills Quality Authority (ASQA) with the opportunity to make a written submission to the Productivity Commission as part of your review of the NASWD. This written submission formalises feedback ASQA provided at the initial review meeting held on 22 November 2019.

As discussed in the initial meeting, ASQA supports the review terms of reference, and has a particular interest in the seventh point regarding data collection and sharing, and our written submission addresses information request 17 of the 22 November 2019 Productivity Commission Issues Paper.

The National VET Provider Collection is the principal source of information on training activity across Australia – who is providing the training, the students undertaking it, and the courses being delivered. Comprehensive and timely data on vocational education and training (VET) is important for increasing the efficiency and transparency of Australia's VET sector, in order to improve understanding of Australia's VET market and management of the national VET system. This collection is designed to serve multiple purposes, one of which is to enable VET regulators to use it to inform a risk-based regulatory approach.

The National VET Data Policy is the policy governing the National VET Provider Collection. It is endorsed by the COAG Skills Council and more recently amended by the Skills Senior Officials Network (SSON). The Policy (Part B - National VET Provider Collection Data Requirements Policy) requires RTOs to submit data for the National VET Provider Collection 'as soon as practicable after each aspect of the training occurs, but no later than the end of February of the year following the year in which the training was provided or the commencement occurred'. The National VET Provider Collection is collected and managed by the National Centre for Vocational Education



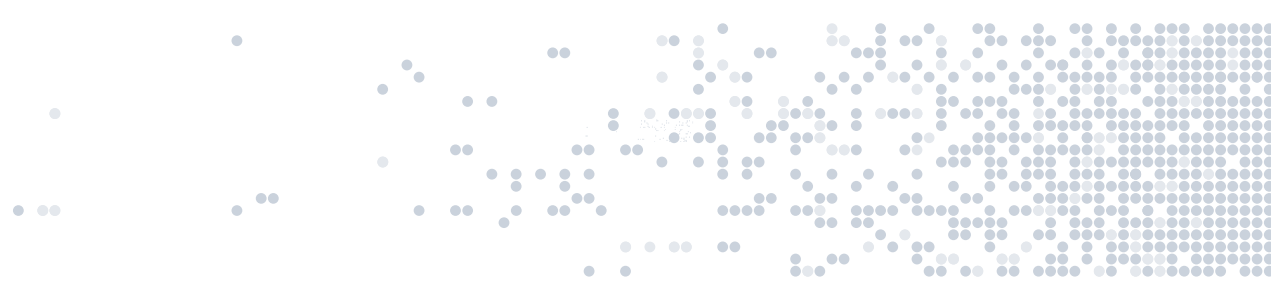
Research (NCVER). However, if the data relates to government subsidised training the data is submitted at a frequency determined by the relevant state or territory and provided to NCVER quarterly.

The NCVER, is owned by the Commonwealth, state and territory ministers responsible for VET and is responsible for collecting, managing, analysing and communicating research and statistics relating to VET, including the National VET Provider Collection. NCVER report that in 2018, 4.1 million students were enrolled in nationally recognised VET, about one quarter (1.1 million) were enrolled in the government funded VET system. This means that delivery for only a quarter of VET participants is reported more frequently than annually. In real terms, three quarters of VET participant data is reported by RTOs in March of each year, some through state and territory training authorities and others directly to NCVER. The data reported is for the previous calendar year and in 2019, VET regulators received the validated combined data in July, some 7 months after the most recent delivery occurred. VET regulators rely on this lagged data as an input to their risk-based regulatory approach until such time as more regular data is available.

ASQA has sought to influence timelier reporting by all RTOs (at least quarterly), however this requires amendment of the VET Data Policy. ASQA is not a member of the COAG Skills Council, nor the Skills Senior Officials' Network (SSON), and such a change would require the endorsement of those bodies. Furthermore, VET regulators are only observers on the national Data Strategy Working Group with state and territory funding bodies holding voting rights in the development of national data architecture and policy. It is noted that providers are required under the Data Provision Requirements (4.1) to have a student records management system with capacity to provide AVETMISS compliant data to the National VET Regulator. This means RTOs should have capacity to report more frequently to the NCVER and would not impose additional regulatory burden.

The recent communique from the COAG Skills Council meeting on 22 November 2019 outlined some priorities of Skills Ministers in delivering a COAG VET Reform Roadmap for a responsive, dynamic and trusted VET Sector. A move towards more frequent data reporting by RTOs was not highlighted as an area to be fast tracked. They did, however, note 'the critical role of ASQA in underpinning confidence in the VET sector'.

While ASQA has negotiated to receive quarterly funded data collections, VET regulators could more effectively monitor the performance of providers and the sector more broadly through access to more timely data for fee for service delivery. Such arrangements would likely ease regulatory burden for providers that are required to provide data submissions in response to regulator requests (usually as part of regulatory activity or application processing). It would be expected that greater visibility of fee for service delivery could also improve the responsiveness of government funding to changes in delivery markets and provide greater transparency about provider performance for consumers.



In regards to data collections that may be ceased, under the Data Provision Requirements 2012, RTOs are required to provide an annual summary report to the National VET Regulator against the quality indicators by 30 June each year. These summaries are of limited value to VET Regulators and should not continue in their current form. ASQA supports current projects underway through SSON to improve surveys across the sector.

I trust this information assists the review.

Yours sincerely

Ms Saxon Rice
Acting Chief Commissioner and Chief Executive Officer
December 2019